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U.S. Aide Indicates Retreat on Tax Cuts

By Herbert H. Denton
Washington Post Service

WASHINGTON — Treasury Secretary Donald T. Regan has indicated for the first time that the administration might be willing to drop one important part of last year's tax-cut bill — the provision "indexing" taxes to inflation after 1984.

But Mr. Regan said the administration would only be willing to withdraw the indexing provision if Congress agrees to use the increased revenue to reduce the federal budget deficit.

Indexing provides for automatic adjustments to prevent inflation from pushing Americans into ever-higher income tax brackets, a phenomenon known as "bracket creep." Under this provision, personal tax exemptions and tax rates in all brackets would be adjusted to reflect inflation's effect in the previous year.

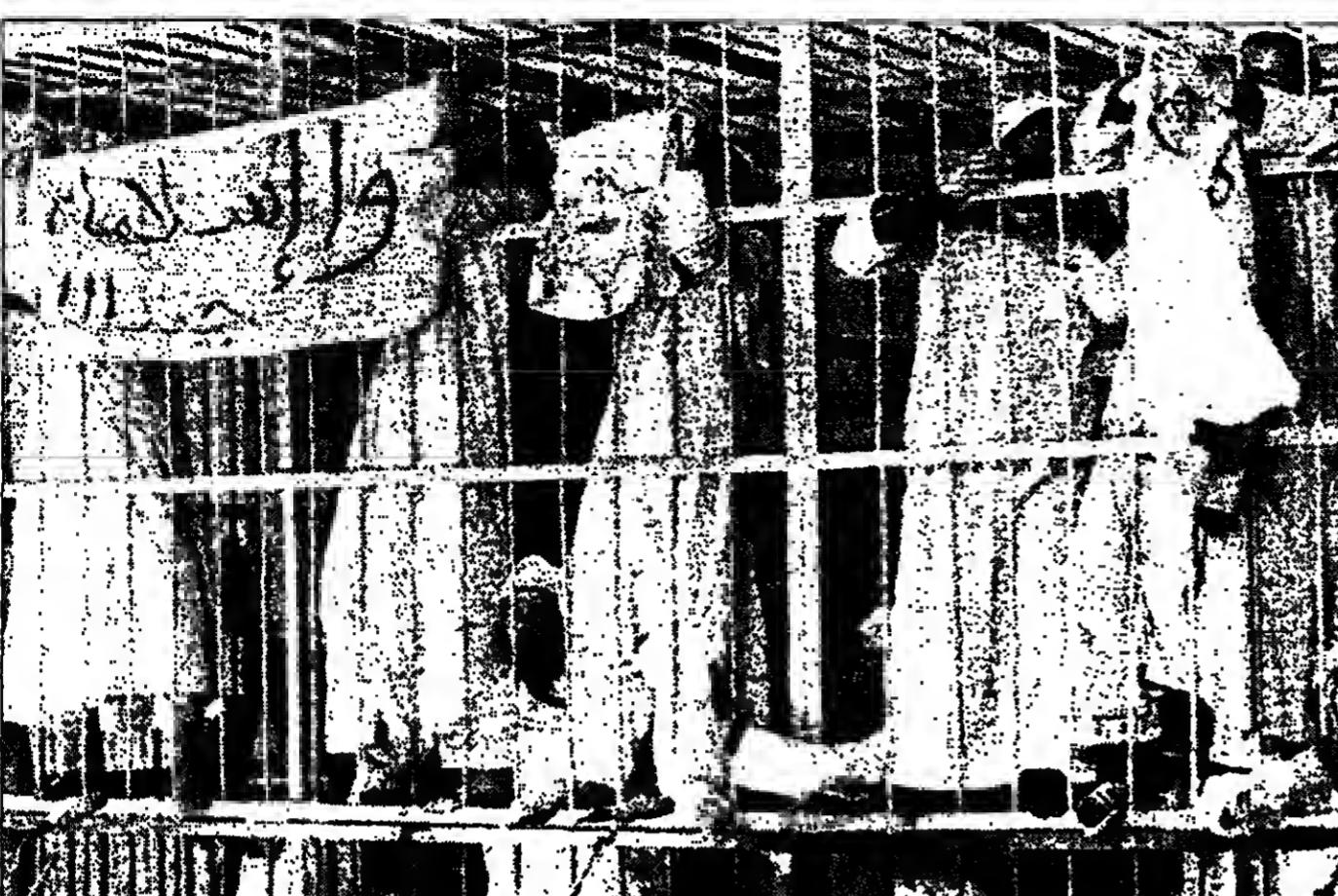
"If you want higher revenues to spend, that's a no-no as far as we're concerned because we don't want more spending by the federal government; we want less spending by the federal government," Mr. Regan said Saturday during a U.S. television interview.

Meanwhile, senior White House advisers held a first meeting with a team of governors Saturday in an effort to resolve differences over the president's proposal to shift control of federal programs to the states. The results were called inconclusive.

Until now the administration had resisted pressure from worried leaders in Congress for changes in tax and budget policy to reduce deficits. Congressional budget experts have singled out President Reagan's plans for a large-scale military buildup and the indexing provision as primary causes of the escalating deficits predicted in coming years. Indexing is scheduled to take effect in the 1984 budget year, which begins Oct. 1.

Firm on Tax Cut

The Treasury secretary made it clear Saturday that the administration still refuses to consider changing the three-phase tax cut that is to lead up to the start of indexing. There have been calls in Congress for the president to postpone the final 10 percent tax cut, which is scheduled for July 1, 1983, but Mr. (Continued on Page 2, Col. 3)



Some of the 24 Moslem extremist defendants in the Sadat murder trial chant slogans and hold up banners inside their cell in a Cairo courtroom. At bottom center is Lt. Khaled Shawki el-Islambouly, who with four others was sentenced to death.

5 Sentenced to Death for Sadat Assassination

By David B. Ottaway
Washington Post Service

CAIRO — Egypt's supreme military court has condemned five Moslem extremists to death for the assassination of Anwar Sadat in October, and has met out sentences ranging from life to five years in prison to 17 accomplices.

Ending a three-and-a-half-month trial that was secret and often contentious, the three-man military court convicted and sentenced 22 of the 24 defendants Saturday at a hastily arranged public session at a heavily guarded Army camp on Cairo's outskirts.

Two of the accused were acquitted, one a blind sheikh, Omar Ahmed Abdel Rahman, whose preachings, it was charged, helped to inspire the assassins.

The sentences must be confirmed by President Hosni Mubarak, and the condemned men have 15 days in which to appeal to him for mercy. Defense lawyers had asked Mr. Mubarak to delay judgment because of what they say were irregularities in the court proceedings.

Most observers here doubt, however, that Mr. Mubarak will show much leniency toward the five chief defendants, who were charged with killing Sadat and seven other persons on a military viewing stand Oct. 6.

The state-controlled press said Saturday that the government was about to indict another 1,000 Moslem extremists arrested after Mr. Sadat's killing who belong to Jihad, the group to which the convicted men reportedly had ties.

This would mark by far the largest trial of Moslem extremists here and it appears to indicate a tough line by Mr. Mubarak in dealing with religious fanaticism.

Before the chief judge, Maj. Gen. Samir Attiya, read the verdicts and sentences to 150 reporters, a power failure in the military camp caused the final proceedings to be suspended two hours. The judges set up a makeshift court in the lobby of the court building.

The judges then said the defendants could not be present because they were shouting and making too much trouble, while the 35-man defense team was absent because it

had been dismissed by the military judges during Wednesday's session.

Other lawyers were appointed by the court but it could not be determined whether any of them were present for Saturday's final chaotic session.

[The state security prosecutor Sunday questioned Abdel Halim Ramadan, one of about 35 lawyers who defended Sadat's accused assassins, on charges of insulting the tribunal and disclosing details of the secret hearings, state-controlled newspapers reported, according to United Press International.]

Mr. Ramadan's wife said her husband was arrested at his home by police accompanied by the prosecutor.]

Reporters were allowed into the main courtroom, where the 24 defendants were locked into four steel-bar cages, shouting slogans and denouncing the court and trial as a sham.

The cages were decorated with banners bearing Islamic sayings, several hangmen's nooses and a single Star of David from which

hung a rope, apparently to indicate another noose.

All of the defendants except one wore long white robes and skullcaps and appeared tense and defiant throughout the 20-minute-long public session allowed to them. All appeared in good health.

The group included five active or retired Army members and 19 civilians, many of them students. Only one was in uniform. Lt. Col. Ahmad Abd el-Zomor, 33, a member of the army's intelligence service who was said to have abetted the assassins and to have plotted another attempt on Mr. Sadat's life.

Both he and his brother, Tarig Zomor, a student, were sentenced to life in prison, while Lt. Islamabouli and the three other participants in the attack — a sergeant and two reserve officers — were condemned to death.

The fifth person to receive a death sentence was Mohammed Abd el-Salam Farag, an engineer, who the military prosecution identified as the mastermind of the October assassination plot.

Stockman Sees Deficit Rising By \$5 Billion

By Martin Tolchin
New York Times Service

WASHINGTON — David A. Stockman, the director of the Office of Management and Budget, has informed Congress that he now calculates the budget deficit for the 1983 fiscal year at \$96.4 billion, almost \$5 billion more than President Reagan originally projected.

The new estimate came before an expected confrontation over the budget between Mr. Reagan and the 53 Republican senators at a luncheon meeting scheduled for Tuesday in the Capitol building. The senators, almost all of whom have rejected the president's projected deficits, will try to persuade him to let them offer a budget alternative.

But Senate Republican leaders, who had hoped to have such an alternative to present to Mr. Reagan later in the week, acknowledged that they were far from a consensus.

In a letter to key congressional committees received Friday night, Mr. Stockman attributed the increase to revised estimates of the cost of the farm price support program. It has more than tripled, from \$1.9 billion to \$6.8 billion, since the administration originally put forth its budget.

New Crop Information

The revised estimate was based on new information on crop size and the amount of rice, wheat, corn, and other commodities that are going into the government reserve, according to a spokesman for the Office of Management and Budget.

The letter marks the first of what may be many revisions of the president's estimated budget. The deficit for the fiscal year 1982, for example, was initially projected at \$37.5 billion and has now risen to \$38 billion. It is expected to climb even higher because of revised estimates of the farm price support program.

The Congressional Budget Office has estimated that the president's 1983 budget will result in a deficit of \$120.6 billion.

Key Senate chairmen had been asked to submit their budget alternatives last week to Sen. Howard (Continued on Page 2, Col. 6)

NEWS ANALYSIS

that is something," Mr. Mitterrand told the journalists crowded around him.

"When you think of what I said here, and that I said the same thing in Israel, when my visit broke a 15-year-old practice of official French aloofness, Mr. Mitterrand coupled warm words for the Israelis with an assertion that the Palestinians were a people with the right to a state."

It is the only new thing," he said Friday, "was that I said the same thing in Israel, when my visit broke a 15-year-old practice of official French aloofness, Mr. Mitterrand reflected on the two-day visit he was about to end.

Friday, he said, "was that I said the same thing," Mr. Mitterrand told the journalists crowded around him.

"When you think of what I said here, and that I said the same thing to the Arabs, and that I have been able to do this while being received with sympathy everywhere, well,

closer than the sympathetic middle distance to be arrived with. Yet, as the president's plane took off, both sides were proclaiming it a tentative success.

"It is the visit that will be the real speech," an aide of the president's said early in the week. There were, in fact, plenty of speeches, some of them eloquent, but, taken literally, they contained more divergence than agreement.

Publicly and privately, Mr. Beguin asserted the impossibility of dealing with the Palestine Liberation Organization or of giving more than limited autonomy to the Palestinians in the West Bank. He tried to persuade the French of the virtues of his limited autonomy offer, but not successfully.

All this made for an impasse, although it was an impasse basically agreed upon in advance and thus

(Continued on Page 2, Col. 7)

U.S. Reportedly Aids Anti-Khomeini Exiles

CIA Is Said to Finance Propaganda Broadcasts, Paramilitary Units

By Leslie H. Gelb
New York Times Service

WASHINGTON — The United States is secretly aiding Iranian paramilitary and political exile groups and beaming radio propaganda into Iran to counter growing Soviet influence there and to play a role of its own in the event that Ayatollah Ruhollah Khomeini's Islamic regime falters, according to Western intelligence officials and other sources.

The Western intelligence sources insisted, however, that no efforts were being made to overthrow or destabilize the Islamic fundamentalist government.

The goal of the program, which is being run by the Central Intelligence Agency, is said to be to knit together a coalition of exile groups and their supporters still in Iran so that if the opportunity arises they can become a significant factor in shaping Iran's future.

Concerned About Ties

All of the sources agreed that the CIA had had no success in persuading the contending factions to work together. The factions are generally described as at least as interested in destroying each other as in fighting the Khomeini regime.

Two non-American sources who provided initial information about the covert operations of both Moscow and Washington gave the impression that they were concerned that U.S. links to exile leaders who had no chance of gaining power in Iran were shackling the United States to a losing cause.

In particular, they said, they were concerned about any U.S. identification with the family and supporters of the late shah and with Abolhassan Bani-Sadr, the former Iranian president who fled his country last year.

According to Western intelligence officials, the larger of the two paramilitary units, based in eastern Turkey, has 6,000 to 8,000 men, mostly Iranian exiles but also Kurds, under the command of former Rear Adm. Ahmad Madani. Adm. Madani was commander in chief of the Iranian Navy under the shah and was command-martialed by the shah for "being against the government."

He was also the first defense minister in Ayatollah Khomeini's government and ran unsuccessfully for president in 1980 against Mr. Bani-Sadr. He is generally described as neither an Islamic revolutionary nor a monarchist and tries to project the image of a strongman.

The second unit, described by the sources as no more than about 2,000 men, is commanded by Gen. Bahram Aryana, the former chief of staff of the Iranian Army under the shah. This unit may be part of an organization of former pro-monarchist military officers known as Azadegan, which means "born free," took responsibility for the hijacking of a French-patrol boat last August that was on its way to Iran.

Described as Nationalists

Gen. Aryana and Azadegan describe themselves as moderate Socialists and nationalists. The general is said to be maintaining close ties to Shahpur Bakhtiar, the last premier under the shah.

The sources seemed to imply that the CIA's links to Adm. Madani were much closer than those to Gen. Aryana.

CIA support for the two units was said to run to millions of dollars, but no reliable figure could be obtained. Some of the sources maintained that the United States was also providing

(Continued on Page 2, Col. 1)

ing the units with arms, and the sources had documentary evidence to back this up.

But by another authoritative account, if there are arms going to the units, they are being supplied or arranged for by someone or some agency other than the CIA. In any event, the two units are out said to have heavy arms.

According to the sources, the CIA and other administrative officials have given two different but not mutually exclusive explanations for supporting the paramilitary units. To some, support has been justified as potentially useful in harassing the flanks of Soviet armed forces that might invade Iran. Others have been told that it was to have some force able to enter Iran in a civil war or domestic upheaval to protect and bolster centrist forces.

No Anti-Khomeini Action

Some of the sources insisted that the leaders of the units had been told that the United States would not support any military action by them against the Khomeini government now.

It could not be learned authoritatively whether the government of Turkey is aware of the presence of these units on Turkish soil near the Iranian border.

It was learned that the Reagan administration, as required by law, has briefed the Senate and House intelligence committees on at least part of the program for these paramilitary forces and on at least part of the other covert operations.

Another part of the covert program has been the establishment of a radio station to broadcast anti-Soviet and anti-Khomeini information. Regular features include reports on long food lines, pockets of opposition and small

(Continued on Page 2, Col. 1)

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(Continued on Page 2, Col. 1)

Reagan, Altering Tone, Now All but Rules Out U.S. Troops for Salvador

By Philip J. Hilts
Washington Post Service

WASHINGTON — Without actually changing policy, the Reagan administration is suggesting that the president has virtually ruled out sending U.S. troops to El Salvador.

"We are trying to outflank the Democrats," a well-placed White House official said Saturday in California.

President Reagan previously has said only that he had "no plans" to send U.S. combat troops "anywhere in the world" and has been careful not to go beyond that formulation.

Now the emphasis has changed. Aides are saying privately that Mr. Reagan has all but ruled out use of troops, that he doubts the Pentagon could win a short-term victory in El Salvador except with a large commitment that would involve diversion of U.S. forces from other vital regions, and that in any case would doubtless such a victory would produce stability in the region over the long run.

Byrd's Proposal

The remarks come amid rising political uneasiness over Mr. Reagan's intentions in Latin America. On Saturday, Senate Minority Leader Robert C. Byrd, a West Virginia Democrat, said he will introduce an amendment to the War Powers Act that would require prior congressional approval before U.S. combat troops could be sent to El Salvador.

The act, passed in 1973, allows the president to commit troops to combat on his own but requires him to seek congressional approval of such action within 60 days.

Larry Speakes, the White House

deputy press secretary, said Saturday that such an amendment is not necessary.

While refusing to rule out military action as an option, Mr. Speakes said that the administration believes that the U.S.-backed El Salvador government can prevail against rebel troops without U.S. military assistance but without U.S. combat forces.

Sen. Byrd said he was worried about a beating up of administration rhetoric on El Salvador and the possible future use of troops.

"I don't want to see escalating rhetoric followed by escalating involvement ... such as we had in Vietnam," he said.

'Exaggerated Idea'

Earlier, Mr. Speakes said that the notion of sending U.S. troops to El Salvador is "an exaggerated idea."

Another official said the administration is engaged in "political warfare" with opponents of its El Salvador policy and added that they have never been any plans to send U.S. forces to El Salvador beyond the few advisers who are helping to train Salvadoran soldiers.

Administration officials acknowledged, however, that they face a difficult political problem on the troops issue because President Reagan has refused to flatly rule out use of U.S. combat forces in the region. Mr. Reagan contends that an absolute pledge not to send forces would give the rebels assurance that might make it more difficult for the El Salvador government to prevail.

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In El Salvador, Mr. Reagan would like the sending of U.S. troops to be seen as a last-ditch option if the rebels appear to be winning.

On Capitol Hill, Mr. Reagan would like congressional leaders to accept the pledge that no use of U.S. troops is contemplated.

While Mr. Speakes was talking to reporters in the White House press center in Santa Barbara, Calif., 18 miles (29 kilometers) from

El Salvador Land Reform Leaves Bulk of Wealth With Few

By Raymond Bonner
New York Times Service

SAN SALVADOR — It has been two years since the government of El Salvador, facing a leftist-led insurrection and under pressure from the United States, announced what President Reagan recently called an "unprecedented" land redistribution.

Since then, the country's largest private plantations have been converted to peasant cooperatives and thousands of peasants have become the provisional owners of the tiny plots they once rented.

But some 1,700 large farms have not been converted, as the plan originally called for, because what is known as Phase II never went into effect. The bulk of the country's agricultural wealth remains in the hands of a small number of families.

Land to the Tiller

"At present, we are opposed to Phase II," said a U.S. Embassy official, adding that it might be carried out "in five to 10 years." U.S. officials will not allow their names to be used when speaking about the program, primarily because it is such a volatile issue here. Two U.S. advisers to the program and the head of El Salvador's Institute for Agrarian Transformation were assassinated in the coffee shop of the Sterion Hotel in January of last year.

The first phase of the program expropriated all estates larger than 1,235 acres, providing compensation to the former owners, and converted the estates to peasant cooperatives. Under Phase II similar expropriation and conversion would be extended to farms of more than 247 acres.

On April 29, 1980, Phase III, known as the "land-to-the-tiller" law, was decreed.

It permits peasants to buy up to 17 acres of the land they have been working as tenant farmers or sharecroppers.

U.S. and some Salvadoran officials oppose the second phase for political and economic reasons. The farms that would be affected are owned by middle- and upper-middle-class Salvadorans, and the civilian-military government, trying to broaden its support, does not want to alienate them. U.S. and Salvadoran officials also worry that any interference with these farms, which generate the bulk of the country's export earnings, would damage El Salvador's already battered economy.

The U.S. ambassador, Deane R. Hinman, recently acclaimed the redistribution as "the most revolutionary land reform in Latin American history."

A Salvadoran university professor sympathetic to the social and economic goals of the leftist rebels countered: "It is not revolutionary because it is not designed to benefit the people, but to isolate and destroy the left. I don't say there is no reform, but it is so insignificant that gigantic repression is needed against the peasants."

And on the right, one of the country's major newspapers, *El Diario de Hoy*, declared in an editorial that the program will have the same consequences as the one imposed by the United States in Vietnam: "a mortal blow to the economy of the country."

Power of the Oligarchy

Some 386,000 peasants have benefited from the conversion of the largest farms under Phase I, the program's supporters argue. Critics say this is only half of the potential Phase I beneficiaries.

About 20,000 peasants have received provisional titles to the tiny plots they

worked as tenant farmers. But the Salvadorean government has estimated there are 150,000 potential land-to-the-tiller beneficiaries, and to date no one has received a title certificate.

In El Salvador's farm-based economy, wealth has long been measured primarily by the amount of land one owns. Coffee, cotton and sugar bring in about 75 percent of the country's export earnings.

The land program "has broken the power of the oligarchy, and to that extent has been successful," a U.S. Embassy spokesman said.

"It is unquestionable that this agrarian reform has moved the country forward inches, and that is tremendous feat," said the university professor. But he argued that, because Phase II has not been carried out, there has not been a meaningful shift of wealth.

Almost all of El Salvador's coffee, the country's most important cash crop, is grown on farms of 247 to 1,235 acres, those that would be converted under Phase II.

No Great Enthusiasm

Publicly, senior Salvadoran government officials say that Phase II has been "suspended" that some day it will be put into effect. But with the United States opposed to Phase II, Salvadoran officials concede privately that it probably will not be carried out.

About half a million peasants have benefited from Phases I and III, a study conducted by a private consulting firm for the Agency for International Development says that: "the agrarian reform will not solve the problem" of some 740,000 landless rural poor.

Even those who have benefited have not

always become staunch government supporters.

"There is no great enthusiasm" for the government among the peasants "because the massacres and violations of human rights continue," a senior Roman Catholic Church official said in a recent interview.

The church leader compared the land program to a man who gives his wife \$2,000 but at the same time continues to beat her. "She returns the \$2,000 and says treat me like a person."

Backers and challengers of the program do agree on one thing: it has been inefficiently administered.

Problem With Getting Credit

Access to credit and financing has been a major problem, especially on the Phase I cooperatives. Along with the land redistribution announced in March, 1980, the government also nationalized the banks, largely to make more credit available to the cooperatives.

The credit problem is in evidence at San Cayetano, once a lucrative cattle ranch owned by one of the country's wealthiest families. Anticipating the government's expropriation, the owners rushed about 900 dairy and beef cattle to Guatemala and the slaughterhouse.

Eight months ago, a visitor to what is now a 1,500-acre cooperative managed by the peasants saw weed-infested pastures and empty milking stalls. The cooperative was seeking financing to start a new herd.

Returning last week, the visitor was told by directors of the cooperative that six days earlier they had bought 15 cows. Requests for loans to allow them to buy 100 more have been pending for more than a year.

A 23-year-old government agronomist

assigned to help the peasants manage San Cayetano explained that cattle ranching, while profitable, does not require a lot of labor. So government policy favors credits for seed, fertilizer and wages to plant crops that generate employment.

The 31-year-old president of the cooperative, René de Jesus Alazán, who like his parents was born on San Cayetano, said he was worried that the credits that the cooperative had been granted would not be made available in time to start planting later this month. He said the cooperative had not yet been paid for about 60,000 pounds (27,000 kilograms) of coffee it delivered to the state coffee institute in November, or even told the crop's value.

Better Lives?

According to San Cayetano's accountant, a 40-year-old father of seven who has had only three years of formal schooling, the cooperative expects a \$14,000 profit for the 1981-82 agricultural year and hopes to earn \$24,000 next year.

Most of the cooperative's members seem uncertain whether their lives are better now than they were when they worked for the owner, who paid them a salary, usually about \$3 a day.

"We had doctors, medicines, bonuses and vacations," said the cooperative's vice president, Victor Manuel Gutiérrez, listing some of the former benefits.

Sitting in the small farm office, where a picture of the former owner still hangs over shattered windows that open onto a tranquil vista of tropical trees and forested slopes, Mr. Gutiérrez added: "Before we worked for a salary. Now we work for ourselves, so we must work harder. But a lot of the members don't understand that yet."

WORLD NEWS BRIEFS

Settlers Block Roads in West Bank

United Press International

TEL AVIV — Jewish settlers set up dozens of roadblocks Sunday in the occupied West Bank to protest the Israeli withdrawal from the Sinai, Israeli radio reported.

The army dismantled the barricades a few hours after they went up in the early morning along four main West Bank roads. There were no reports of violence between the troops and settlers.

But angry Israeli motorists clashed with settlers at a roadblock near the West Bank settlement of Meholah, 5 kilometers (3 miles) west of the Jordan River, and forced them to open the road, the radio said. Reserve army soldiers driving to camp used the bunks of submachine guns to smash the headlights of a tractor the Meholah settlers had used to block the road, according to the report.

Assad Accuses U.S., Iraq of Sabotage

Reuters

DAMASCUS — President Hafez al-Assad accused Iraq and the United States Sunday of encouraging murder and sabotage in Syria.

Tens of thousands of Syrians turned out for the speech celebrating the anniversary of the 1963 revolution that brought Mr. Assad's party to power. He said Iraq had smuggled arms and explosives with help from the CIA to the Muslim Brotherhood, which led a revolt in the Syrian town of Hama last month.

Mr. Assad, who was carried through the streets after the speech, said the United States incited the revolt because it was angered by a United Nations resolution calling for penalties against Israel for its annexation of the Syrian Golan Heights. He said Iraq's president, Saddam Hussein, "came to Syria to practice his favorite hobbies, like a drinker of blood."

Hussein Sees Peace Process Ending

Reuters

WASHINGTON — Jordan's King Hussein said in an interview published Sunday that the Camp David peace process would be finished soon after Israel completes its withdrawal from the Sinai next month.

King Hussein also told U.S. News and World Report magazine that he was interested in buying U.S. F-16 and F-5G jet fighters and air defense missiles. Reports last month that the United States may sell such weapons to Jordan drew strong protests from Israel.

"I believe the end is in sight for Camp David with the Israeli withdrawal from Sinai," the king said. "Israel now says that the occupied territories belong to Israel. The Arabs say the occupation must end and the people granted self-determination. I cannot see how these two positions can be reconciled."

Morocco Warns OAU Over Polisario

New York Times Service

RABAT, Morocco — Moroccan leaders Sunday to rescind immediately the recent decision by the Organization of African Unity to admit the Polisario Front as the organization's 51st member or face the prospect of an imminent breakup of the OAU.

"African heads of state should urgently declare null and void the irresponsible actions taken in Addis Ababa last week by the OAU's secretary-general under pressure from Algeria and other activist countries," said Abdellah Taïbi, the Moroccan secretary of state, in an interview. He called for the resignation of the OAU secretary-general, Edem Kodjo of Togo.

Nineteen OAU states boycotted the final session of OAU foreign ministers as part of a Moroccan-led protest over the seating of the Polisario Front as the Sahara Arab Democratic Republic, and Mr. Taïbi raised the possibility that the 19 would torpedo the OAU summit meeting in Tripoli next August.

But he said Morocco stood by earlier OAU decisions to push for a cease-fire and an internationally supervised referendum in the Western Sahara, where its forces are fighting Polisario guerrillas.

Mitterrand Voyage to Israel Seen as Friendship Message

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place in brilliant sunshine. As he reviewed the troops before boarding his plane Friday, the wind blew up again, lashing the military banners and driving black thunder clouds overhead.

"This is a part of the world where the interests, as the medieval scholastic distinction puts it, are not only contrary but contradictory," the French president mused before his departure. "History passed this way and hardened."

The gesture of understanding, if not agreement, made by his visit has hardly improved the Middle East's weather, but it did offer some local, brief and needed warmth.

France and Israel To Discuss Sale of Nuclear Reactor

Reuters

JERUSALEM — Israel and France will hold talks in Paris next month to discuss the possible sale of a French nuclear reactor to Israel, an Israeli official said Sunday.

The negotiations, which will also cover arms sales, will be held by a joint economic commission, which has not met since relations deteriorated in 1967.

The Israeli official said the commission would meet April 29 and 30 and that Foreign Minister Yitzhak Shamir would visit France in April or May.

Mr. Shamir's visit and the reconvening of the commission were among the results of French President François Mitterrand's visit to Israel last week, the official added.

He said that "it must be stressed that the discussions on the possible sale of a nuclear reactor are in their earliest stage." Mr. Shamir reported on the Mitterrand visit to the Cabinet at its regular Sunday meeting.

An 8th White Quits Smith's Party in Salisbury Assembly

The Associated Press

SALISBURY — An eighth member has quit former Prime Minister Ian D. Smith's party, the Republican Front, to sit as an independent supporting the government of Robert Mugabe in the Zimbabwean Parliament.

Dennis Divaris said Saturday that the all-white Republican Front was no longer able to provide a link between the nation's 190,000 whites and the black leadership.

Seven of the 19 Republican Front parliamentarians, including two former Cabinet ministers, announced Thursday that they were quitting the party and would remain in the 100-member National Assembly as independents. Mr. Mugabe has frequently criticized the party, saying it has impeded the process of racial reconciliation.

The Republican Front now has 12 of the 20 seats in the assembly reserved for whites. A seat vacated by the retirement of a Republican legislator is to be contested next month in a by-election.

The more you know about Scotch, the more you like Ballantine's.



Key Reagan Assistant Hints At Retreat on Tax Measure

(Continued from Page 1)

Regan said he thinks doing so would abort economic recovery.

He said, however, that the administration would consider removing the indexing provision, which Mr. Regan had described in his State of the Union address as a significant innovation that would take away "government's built-in profit on inflation and its hidden incentive to grow larger at the expense of American workers."

Mr. Regan said: "Indexing we'd discuss. It wasn't part of the president's original package. It was something he wanted at a later date."

The secretary also said the administration would be willing to discuss changes in the so-called leasing provision of last year's tax bill that allows profitable companies to buy tax credits from losing firms. But Mr. Regan said the administration wants to defer discussion until after the Treasury completed a study "of actually what happened last year to leasing after the Congress passed that bill."

Brushing aside the warnings of

Dog Anti-Cruelty Campaign

The Associated Press

MANILA — The International Fund for Animal Welfare announced Saturday it has set up a \$250,000 fund for a campaign to eliminate cruelty in the transport and slaughter of dogs for human consumption in the Philippines. Dog meat is considered a delicacy by some Filipinos.

Stockman Sees Higher Deficit

(Continued from Page 1)

H. Baker Jr., Republican of Tennessee, the majority leader. Instead, the chairman submitted a range of options concerning new budget cuts and tax measures.

Program Freeze Offered

Sen. Mark O. Hatfield, Republican of Oregon, chairman of the Appropriations Committee, proposed a freeze on all appropriated spending for social programs such as health, housing and education.

Sen. Robert J. Dole, Republican of Kansas, chairman of the Finance Committee, suggested new taxes and reductions in social welfare programs.

Meanwhile, three committees contemplated or took action on separate spending proposals that far exceeded Mr. Regan's budget freeze and thus signal even greater deficits ahead.

Sen. Orrin G. Hatch, Republican of Utah, chairman of the Labor and Human Resources Committee, canceled that committee's meeting last week amid indications that the committee was ready to approve a spending proposal that was \$8 billion over the president's budget.

The Senate Banking Committee is weighing a spending measure that would be \$10 billion over Mr. Regan's budget, and the Senate Energy Committee last week adopted a committee budget \$520 million over the president's proposals.

Instinct for Harmony

Some of the more piquant comments came in a joint news conference held by Mr. Mitterrand and Mr. Begin. They had been through two days of talks, and the instinct for harmony was somewhat eroded.

When Mr. Mitterrand was asked whether he had invited Mr. Begin to Paris, he gave a vague answer. Mr. Begin came back a few minutes later. There was room for French-Israeli cooperation everywhere, he said, "even in Paris — if I am invited."

Mr. Mitterrand arrived in a wind-driven rain. By the time he reached Jerusalem, the weather cleared and the entire visit took

Glemp, Despite Strains With State, Emphasizes Polish Reconciliation

From Agency Dispatches

WARSAW — Poland's Roman Catholic primate said Sunday that the Polish church could be facing the most delicate moment in its history.

Archbishop Jozef Glemp made the remarks in a sermon at St. Michael's Church in Warsaw amid signs of mounting strains in church-state relations after nearly three months of martial law.

But in reiterating a call for national reconciliation, Archbishop Glemp avoided mention of the latest conflicts over the imprisonment of the opposition.

He also said Poland was eagerly awaiting the return of Pope John Paul II in his homeland for a visit in August.

In London, The Sunday Times reported that Archbishop Glemp was seeking a "summit meeting" with the country's martial law ruler, Gen. Wojciech Jaruzelski, within the next two weeks.

In a dispatch from Warsaw, the newspaper quoted church sources as saying Archbishop Glemp was "concerned about strained church-state relations and the danger posed by growing underground resistance to the martial law authorities." It said he was hoping to "revive the dialogue between church and state at the highest level before it's too late."

The two leaders are believed to have met last in early January at Gen. Jaruzelski's request.

The Times said that Archbishop Glemp, in "private audiences with Western visitors last week," had made known he was "worried about the possibility that young people might stage some kind of uprising in the spring or summer months which would result in much bloodshed."

In his sermon in Warsaw, the archbishop said "the Polish church today faces a gigantic task, perhaps more delicate than any other in our thousand-year history."

His renewed call for national dialogue followed reports that the leader of the suspended Solidarity free trade union, Lech Walesa, would be allowed out of detention for the first time since Dec. 13.

Report From Wif

News that Mr. Walesa would be allowed home for the christening of his baby daughter was given to Western reporters by his wife, Danuta. Mrs. Walesa said the baptism would take place March 21 and said she expected to have her husband home with her and the seven children in Gdansk during the Easter holidays.

There was no official confirmation that he would be allowed to attend the christening. But Mrs. Walesa's comments followed reports that he had held a meeting with Deputy Premier Mieczyslaw Rakowski, one of the key civilian politicians in the martial law administration.

The Rakowski-Walesa meeting, confirmed by church sources,

could mark the opening of serious dialogue between the authorities and the elected leaders of the Solidarity union.

This has been one of the main demands of the church, and Archbishop Glemp returned to the issue Sunday when he said the church, the government, the trade unions and youth should all join in seeking ways to overcome Poland's crisis.

Recalling his visit to Rome last month, Archbishop Glemp said: "We are expecting the holy father to come to us in August to lift our morale and give us courage."

But while the primate reaffirmed his hope that the pope would come this year, some observers felt that he raised the possibility that the papal pilgrimage could be delayed. The primate pointed out that the 600th anniversary celebrations of the shrine of Jasna Gora, the formal occasion for the visit, would last into 1983.

Informants sources said that the primate might have deliberately avoided referring to the imprisonment of a priest, Boleslaw Jewulski, for three and a half years for slandering the state in a sermon. They said the archbishop might have been reluctant to mention the case because of bargaining about his fate.

The sources said the priest might be handed over to the church rather than be made to serve his sentence in a prison. Another priest apparently was still in



Archbishop Jozef Glemp

detention on suspicion of involvement in the fatal shooting of a police sergeant.

Meanwhile, a seven-member U.S. congressional delegation left for Vienna after a three-day visit.

The official PAP press agency reported that the leader of the delegation, David R. Obey, Democrat of Wisconsin, said Saturday in Krakow that he would try to persuade President Reagan to lift U.S. sanctions, but American sources said the quote was "twisted."

A source in the delegation said the press agency statement was "a gross distortion of something Obey is reported to have said to the mayor of Krakow."

Reagan Sets U.K. Speech To Parliament

First Such Appearance By a U.S. President

By George Skelton
Los Angeles Times Service

SANTA BARBARA, Calif. — President Reagan will become the first U.S. president to address a joint session of the British Parliament when he visits England in June as part of a weeklong European trip.

Mr. Reagan has been invited to speak in the parliamentarians June 8 in Westminster Hall, which adjoins the Houses of Parliament.

It is believed that Mr. Reagan will be the second non-British head of state to address Parliament according to Michael Deaver, White House deputy chief of staff.

Very Flattered

De Gaulle addressed Parliament April 7, 1960, calling for the destruction of all nuclear weapons.

Mr. Deaver said that Mr. Reagan was "very flattered" at the British invitation. It will be the president's first trip outside the American continent since taking office.

Mr. Reagan will be the guest of Queen Elizabeth II at Windsor Castle on June 7 and 8.

President's Itinerary

Mr. Deaver, who recently spent six days in Europe organizing the trip, outlined this itinerary:

Mr. Reagan will leave Washington on June 3 for France and stay at Versailles until June 6 while he attends an economic summit meeting of seven industrialized nations.

He will fly to Rome on June 7 for visits with Pope John Paul II, Premier Giovanni Spadolini and President Sandro Pertini, all in five hours.

Mr. Deaver said that Mr. Reagan considers Italy to be one of his administration's staunchest allies, adding, "Not the least of the reasons for going there is this country's gratitude for the rescue of Gen. Dozier." Brig. Gen. James L. Dozier, who was posted with a NATO unit in Verona, was kidnapped Dec. 17 by Red Brigades commandos and rescued six weeks later by Italian police.

The strategy of the officials is to tie everybody down with interminable press conferences describing the history of the region, statistics on industrial production and arguments justifying martial law.

These trips make for a strange experience. Most of them soon develop into a kind of game played between competitive Western journalists looking for a story and Communist bureaucrats seeking to prove that all is "normal" in their particular district. The journalists' aim is to escape the attention of their charges and get to interview some real workers — or indeed anyone who will tell what is really going on.

The strategy of the officials is to tie everybody down with interminable press conferences describing the history of the region, statistics on industrial production and arguments justifying martial law.

Despite this, some insights did emerge from the visit to Krakow. The journalists were taken to the Lenin Steelworks, a rambling, now crumbling place that was built in the 1950s as an industrial showpiece. Originally, it was seen by Communist ideologues as a laboratory for the building of a "Socialist man," working-class citadel that would counterbalance the "reactionary" power of the church and the Krakow intelligentsia.

Last year, the steelworks became one of Solidarity's strongholds — with 90 percent of the 38,000-member work force belonging to the union.

Communists Out

Today, except for some roughly scrawled slogans on walls ("Communists Out" was one), there is little outward evidence of Solidarity's former dominance. The union chairman, Mieczyslaw Gil, was sentenced two weeks ago to four years' imprisonment for organizing strikes and underground Solidarity activity at the plant appears to be limited.

Asked privately, however, most workers express a calm conviction that Solidarity will be back in some form or other. The "social commissions" set up by the Communist Party

will be spared the ideological purge.

Oblivious to martial law, the members of one of Krakow's experimental theater groups threw a party to mark a birthday. The beat of heavy rock music floated across the Renaissance rooftops and spires of the old town as they danced, joked and got drunk.

The party could have been anywhere in the West. The products of a European tradition dating back 10 centuries, the young people there were closer in spirit to Paris and New York to Moscow (one sported a U.S. Army jacket).

An actress said: "We're reacting to what's happened in Poland by a kind of internal emigration. We want to keep together and keep as far away from the Poland of the internment camps and Communist jargon as possible."

Such an attitude is hardly likely to produce an uprising this spring, as some have predicted. On the other hand, it is hardly likely to produce a totalitarian state, either.

Liberal Krakow Tries to Blunt Martial Law

Tradition of Tolerance in Polish Cultural Center Lightens Party's Tread

By Michael Dobbs
Washington Post Service

KRAKOW, Poland — Poland's ancient capital is attempting to preserve its liberal traditions intact despite the imposition of martial law.

As the seat of Poland's oldest university, the cathedral town where Pope John Paul II served as priest and then archbishop, Krakow is the most tolerant and westward-looking of Polish cities. The relaxed state of mind, the product of living close to the past amid some of Europe's finest medieval architecture, has largely offset the drabness and austerity associated with a Communist-ruled country.

On the evidence of a two-day visit to the city organized by Polish authorities for foreign journalists, Krakow's special atmosphere has also blunted the harshness of December's military crackdown.

Scholars, Communist Party apparatchiks, priests and members of the suspended independent Solidarity trade union all seem to agree that things are better here than in the rest of the country. Apart from the big strikes that followed the imposition of martial law, there have been no serious clashes between workers and police. The army has kept in the background.

Long View of History

Heavily influenced by the Roman Catholic Church, Krakow intellectuals tend to take the long view of Polish history. Solidarity, they argue, has left a permanent imprint on Poland and sooner or later the Communist Party will have to come to terms with it. Better to wait patiently than to gamble everything in a violent uprising, they say.

The strength of the liberal tradition in Krakow has also rubbed off on the authorities. The party chief, Krzysztof Dabrowski, likes to boast that he is still determined to solve all problems "by political methods" rather than by force. The local military commissar has the reputation of being a cultured man skilled in the art of compromise.

At the same time, some Krakow residents insist that all these professions of tolerance and good will are merely a veneer. The regime's tactics toward Krakow may be different, but the aim is the same: the restoration of full Communist Party control.

A leading local journalist remarked: "In

some ways it's even worse here, as we don't know where we stand. The authorities do what they have to do under martial law — but they confuse us by wearing white gloves."

The atmosphere of normality in Krakow obviously made it, from the government's point of view, a good place to bring a party of foreign journalists for a "study tour."

Looking for a Story

These trips make for a strange experience. Most of them soon develop into a kind of game played between competitive Western journalists looking for a story and Communist bureaucrats seeking to prove that all is "normal" in their particular district. The journalists' aim is to escape the attention of their charges and get to interview some real workers — or indeed anyone who will tell what is really going on.

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Filibuster Trims Debate at UN Rights Session

By Iain Guest

International Herald Tribune

GENEVA — East European and Latin American delegations are engaged in a prolonged filibuster at the current session of the United Nations Human Rights Commission in an apparent effort to curtail debate on Poland, El Salvador, Guatemala and Iran.

The commission has the task of formulating UN human rights policy for the next year, and, with five days of sessions left, Western diplomats and observers are worried at what they see as a pattern of delaying tactics, aided by the Bulgarian chairman, Ivan Garvalov.

Over the last five weeks of debate, Mr. Garvalov has allowed long speeches, followed by rights of reply, on Southern Africa, Chile and Israel. Sources said that he also allowed four days of confiden-

tial proceedings last week to be drawn out by procedural motions and then quickly agreed to a proposal by Algeria and Syria Friday that the commission not meet over the weekend.

Poland on Agenda

The result will be to squeeze this week's debate, which started late on Friday. In addition to the crisis in Poland, it covers such areas as Guatemala, El Salvador and the treatment of the Bahais in Iran. It also includes a new study by Prince Sadruddin Aga Khan, the former UN High Commissioner for Refugees, on prevention of mass exodus of refugees from such regions as Indochina and the Horn of Africa.

Some of the 91 additional speakers who signed up for the debate are concerned that the commission

Laker Reportedly Seeks Financing For a Smaller, Full-Fare Airline

The Associated Press

LONDON — A month after the collapse of Laker Airways, Sir Freddie Laker is circulating plans for a Laker II airline — smaller and definitely out-of-pocket. The Sunday Times reported.

The newspaper said it had obtained a copy of a prospectus prepared by Sir Freddie and his backers that "is now doing the rounds" of London financial institutions in search of support worth £105 million (\$192 million).

The paper said Sir Freddie would fly with only five aircraft and 770 employees, compared with 13 aircraft and 2,795 employees before, and would concentrate on services from Gatwick Airport, south of London, to Los Angeles, Miami and New York.

"But most significant of all is the total rejection of the old buccaneering days of price-cutting," The Times said. "It is even suggested that the new airline might actually join IATA, the airlines' fare-fixing cartel against which Laker has campaigned for many years." IATA stands for International Air Transport Association.

The document was prepared with the help of Roland W. Rowland, head of the Lonrho conglomerate and a possible partner in Laker II, the paper said.

The prospectus indicated that Sir Freddie believes Laker II could earn a "net profit before tax and financing charges" of £16.2 million (\$29.6 million). The newspaper concluded, however, that this projection was the result of some "startlingly optimistic assumptions" by Sir Freddie.

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U.S. Aides: A Risk for Parliament?

Some British MPs Say Student Interns Threaten Security

By Leonard Downie Jr.
Washington Post Service

LONDON — A new spy hunt has begun in Britain. But the targets this time are not Soviet moles occasionally discovered inside the British government or secret services.

Instead, an investigation began last week in the House of Commons aimed at several young American college students working as unpaid research assistants for British members of Parliament.

Acting on a number of allegations from other MPs, House of Commons leader Francis Pym ordered a parliamentary inquiry into whether the researchers pose a security risk or place an unacceptable strain on overcrowded office facilities.

Parliamentary sources said there is no real evidence of a security threat beyond concern about access to parliamentary passes and the sight of unfamiliar faces in the corridors. But the inquiry could jeopardize American university programs that for the past several years have offered parliamentary internships to students studying abroad.

The investigation has focused somewhat on hostile media attention on unspecified complaints by some members of Parliament and their paid British staff workers that the Americans "may be working as spies for foreign intelligence agencies or industrial concerns" or are misusing scarce parliamentary research facilities for personal academic projects.

"I think they're seen by some here as slave labor for certain MPs," said a paid part-time British research assistant for one member of Parliament. "There have been complaints that some of them are too loud, ask stupid questions and monopolize things like library facilities, copying machines or lunch tables."

Mr. Deaver said that Mr. Reagan considers Italy to be one of his administration's staunchest allies, adding, "Not the least of the reasons for going there is this country's gratitude for the rescue of Gen. Dozier." Brig. Gen. James L. Dozier, who was posted with a NATO unit in Verona, was kidnapped Dec. 17 by Red Brigades commandos and rescued six weeks later by Italian police.

Mr. Deaver said that Mr. Reagan will fly to Rome on June 9 to meet with Chancellor Helmut Schmidt. The following day the president will attend a NATO summit meeting.

Mr. Deaver said Mr. Reagan might fly to Berlin for one day. If he does, it will delay his return to Washington on June 11.

Mr. Deaver said that Mr. Reagan will fly to Bonn June 9 to meet with Chancellor Helmut Schmidt. The following day the president will attend a NATO summit meeting.

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Press Account of Moro's Final Moments Says He Believed He Would Be Released

The Associated Press

ROME — Aldo Moro climbed calmly into the trunk of a car, believing he was about to be freed, according to accounts of the last moments before he was murdered by Red Brigades kidnappers in May 1978.

Mr. Moro, the former Italian premier, asked the man guarding him, Prospero Gallinari, to say goodbye to the man who had interrogated him, Mario Moretti, according to an account published Saturday by *Milan's Corriere della Sera*.

Minutes later, Mr. Moro was dead, shot by Mr. Gallinari in the soundproof garage of the elegant apartment building where he had been held captive, the newspaper said.

Corriere della Sera's report was based on depositions to prosecutors made by Antonio Savasta and Patrizio Peci, two accused Red Brigades members. The two told officials that as soon as Mr. Moro got into the car, he was covered with a blanket and then shot in the heart by Mr. Gallinari, according to the newspaper.

Mr. Moro did not die immediately and put up his arm to defend himself, according to the account. Mr. Gallinari grabbed a submachine gun from fellow terrorist Anna Laura Braghetti and fired a hail of bullets into Mr. Moro's body, the newspaper said.

Mr. Peci said the Red Brigades intended to kill Mr. Moro when they realized the Italian government would give them no concessions, *Corriere della Sera* said. The Italian government had refused to negotiate for Mr. Moro's release.

Mr. Moro was then asked to write his will. When he finished writing letters containing his last wishes, he was told that the decision to kill him had been completed with the group.

Police said Saturday that Enzo Fratta, 34, a Socialist town councilman from the Naples suburb of Cavaiano, and Fortunato Manna, 26, a former member of the Naples anti-terrorist squad, were arrested Friday night.

Mr. Fratta was accused of membership in the Red Brigades, possession of arms and explosives, distributing terrorist literature and renting and buying property for the gang. Mr. Manna was charged



Aldo Moro

2 Officials Linked to Brigades

NAPLES (AP) — Police have reported the arrests of a Socialist politician and a police officer formerly assigned to the Red Brigades, on charges that they cooperated with the group.

Police said Saturday that Enzo Fratta, 34, a Socialist town councilman from the Naples suburb of Cavaiano, and Fortunato Manna, 26, a former member of the Naples anti-terrorist squad, were arrested Friday night.

Mr. Fratta was accused of membership in the Red Brigades, possession of arms and explosives, distributing terrorist literature and renting and buying property for the gang. Mr. Manna was charged

with revealing police secrets to the Red Brigades.

Authorities also confirmed Saturday for the first time that a 1.4-billion lire (\$1.1-million) ransom had been paid to the Red Brigades for the release of Ciro Cirillo, a Christian Democratic politician from Naples who was kidnapped last year and held for 88 days. They did not say who paid the money.

Irish Leaders Seek Votes For Coalition

7 Deputies Holding The Balance of Power

Reuters

DUBLIN — Irish politicians began a final round of negotiations Sunday in an effort to break a deadlock — left by inconclusive elections — before parliament meets to choose a premier on Tuesday.

Ongoing Premier Garret FitzGerald and opposition leader Charles Haughey, leader of the Fianna Fail party, were seeking support from the seven independent and minor party deputies who hold the balance of power after last month's vote. Mr. Haughey's party won 81 of the 166 seats in the parliament. Mr. FitzGerald's Fine Gael-Labor coalition won 78 seats.

For months, however, the West German government has been uneasy over U.S. criticism on such issues as Bonn's response to the military crackdown in Poland. The Soviet gas pipeline project and Western defense spending. Government officials in Bonn have privately voiced growing discomfort at having to confront sometimes hostile U.S. representatives and audience.

But the pressures on the West Germans to adjust their policies toward the Eastern bloc appear to have had little result.

Ban on Rotos

There is still no sign that West Germany will compromise on the gas pipeline project with the Soviet Union. Economics Minister Otto Lambsdorff, just back from the United States, warned again last week against further plans under consideration in Washington to block the deal.

Like the six other undecided members, Mr. Gregory was keeping his options open. Asked about his voting intentions he would only say: "I honestly don't know at the moment, the final meetings with the party leaders will decide."

Five of the seven are leftists. They include three members of the Marxist group Sinn Fein. The Workers Party — a group that is not connected with Sinn Fein, the political wing of the Irish Republican Army — Mr. Gregory and Jim Kennedy. It was Mr. Kennedy's switch of support that brought down Mr. FitzGerald's coalition in a budget dispute in January.

The others are outgoing Speaker John O'Connell and Neil Blaney, a friend and former Cabinet colleague of Mr. Haughey.

Mr. FitzGerald must attract six votes to give his coalition a majority.

As he meets the independent members Monday, he must also await the outcome of a Labor Party meeting on whether it will renew its partnership with his Fine Gael party.

Most of the bargaining in the last two weeks has focused on the 1982 budget, the issue on which the election was fought.

Mr. Fitzgerald and Mr. Haughey agree that tough measures are needed to halt the country's economic slide and both fought the election on programs calling for sweeping increases in taxes on consumer goods.

But the leftists have said they want the tax burden shifted to corporate and property taxes, and Mr. Gregory demands more money for his constituency in depressed central Dublin.

Both leaders have submitted lengthy reports to Mr. Gregory on how they would help the inner city.

10 Killed in Houston Hotel Blaze

By William K. Stevens
New York Times Service

HOUSTON — Ten persons died of suffocation when a fire in one room of the Westchase Hilton sent smoke billowing through the 16-month-old hotel on Houston's affluent West Side.

Five persons were hospitalized, two in critical condition, after the fire was reported at 2:28 a.m. Saturday.

The chief of the fire department's arson squad said that a hotel employee cut off the building's fire alarm repeatedly because he did not know what it was, and possibly because its buzzing on the switchboard annoyed him.

About 200 guests were in the 165-room hotel when the fire started. All were evacuated, most of them to the Adam's Mark, another hotel nearby.

The blaze began in or near a fourth floor in a room on the 13-story hotel, fire officials said. They said the room's occupant, Scott Peterson, an employee of the Hilton Hotel in Santa Fe, N.M., told them that he was returning from a date when he found the fourth-floor corridor

filled with smoke. According to the officials, Mr. Peterson said he ran to the room and woke up his friend, Scott Owens.

The blaze "totally consumed the contents of the room," said Carl Hooker, a deputy fire chief, but "didn't spread."

"The smoke spread," he said. "All these people died from smoke inhalation."

The hotel has no sprinkler system, the officials said. If it had, said Fire Chief V.E. Rogers, fewer people would have died. Houston's fire code was amended last year to require new hotels to install sprinkler systems. The requirement is not retroactive, however.

About 200 in Hotel

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Chief Rogers said investigators found some guests did not hear the fire alarm.

Leonard Mikelska, a deputy chief and head of the arson squad, said that an employee working behind the main desk had not been briefed on the fire alarm system and turned off the signal several times because he did not know

what the buzzer that sounded on a nearby switchboard signified. "Possibly, it was annoying him, he said."

According to hotel and fire officials, there are three alarm systems in the hotel: independent smoke detectors in individual rooms; smoke and heat detectors in corridors, and conventional, manually activated alarm switches. Erich Huermer, the hotel manager, said that the system in the corridors, activated by heat and smoke, was tested on Wednesday and found in good working order.

Seven of the 10 victims apparently died in their sleep, according to Dr. Aurelio Espinola, the deputy chief medical examiner for Harris County.

The fire was the fifth recent disaster at a major U.S. hotel. A fire on Nov. 21, 1980, killed 84 persons at the MGM Grand Hotel in Las Vegas. Twenty-six died in a fire at Stouffer's Inn in Harrison, N.Y., the following Dec. 4. Another fire, which a hotel busboy was convicted of setting, killed eight persons at the Las Vegas Hilton on Feb. 10, 1981. On July 17, 1981, overhead walkways collapsed at the Hyatt Regency Hotel in Kansas City, Mo., killing 113.

Surrogate's courts oversee the disposition of estates and make provisions for guardians.

Surrogate Marie M. Lambert, the judicial officer in the case, last week granted both Jewish organizations the right to file "friend of the court" briefs and to participate in the discovery proceedings.

Under long-established pre-

News Story Ban Raises Freedom Issue in India

By Stuart Auerbach
Washington Post Service

NEW DELHI — An Indian court has barred a leading newsmagazine from writing about the business dealings of a political ally of Prime Minister Indira Gandhi.

The lower court injunction against the magazine *India Today* is the first case in India of an article being blocked before its publication and is viewed as a major test of the constitutional guarantees of freedom of the press in a country in which investigative reporting is in its infancy.

The case currently is before Judge Shiv Charan of New Delhi's lowest court. But his decision on whether to allow the magazine story on Charanji Singh, a parliamentarian and soft drink magnate, is likely to end up before the supreme court.

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Money Worries Causing U.S. College Students To Work More, Play Less and Narrow Studies

By Fox Butterfield
New York Times Service

COLUMBUS, Ohio — U.S. college students, long a reflection of the country's affluence and achievement, face a financial squeeze that is channeling them in a narrow, career-oriented direction and profoundly altering university life.

"Adolescence has been an American luxury, but we can't afford it anymore," said Paula Schimpf, a junior at Ohio State University here.

"It's an awful thing that students more and more have to weigh the cost of every little thing rather than think, 'Is this something I want to study or do?'" she added. "That's not what universities are for."

Reagan's Proposed Cuts

Miss Schimpf, whose father is a butcher in an A&P store in Lima, Ohio, is in many ways typical of the 1.23 million undergraduate and graduate students on campuses today. Worried about the job market, she has switched her major from teaching to public relations. She is paying for college with a precarious combination of part-time jobs and federally financed grants and low-interest loans.

Now Miss Schimpf, the first member of her family to go to college, is concerned that further cuts in government aid to education, which President Reagan has proposed but which will not go into effect unless approved by Congress, may make it impossible for her to finish school.

She was one of several hundred students, teachers and administrators interviewed in the last two weeks at two dozen colleges and universities. Among trends evident from the interviews were these:

- A dramatic shift from traditional arts courses to programs in engineering, business and law likely to enable the students to earn more money. At Ohio State, for instance, enrollment in the colleges of Business and Engineering

has doubled in the past decade, while the number in the College of Arts and Sciences has dropped 33 percent.

"I get a sense of quiet desperation in the number and quality of students going to graduate school in the arts and sciences, those who will be the future U.S. college professors. At Harvard, the percentage of seniors who graduated with highest honors and went on to graduate schools other than professional ones shrank from 77 percent in 1964 to 31 percent last year. The number of first-year students at Harvard's Graduate School of Arts and Sciences has slipped 26 percent in the past 10 years and has slipped 39 percent counting only students in the humanities.

• A growing number of students who must work to meet costs. Three-quarters of the 27,000 students at the University of Wisconsin at Milwaukee have jobs. Moreover, many students find it necessary to take a semester or a year off to work, and as a result many fewer students graduate in four years.

• Stresses caused by the need to work and study at the same time. This financial pressure has forced many students to give up such pleasures as movies and football games; fewer seem to have cars. Some students report that they do not have enough money to eat properly or that they fall asleep in class after working all night.

• A larger number of politically conservative students. A survey done for the American Council on Education by researchers from the University of California at Los Angeles found that 24 percent of freshmen last fall considered themselves conservatives, compared with 15 percent in 1971. The proportion calling themselves liberals dropped from 37 percent a decade earlier to 13 percent.

In that survey, conducted at 368 colleges and universities, 67 percent of this year's freshmen said "to make more money" was an important reason for going to college. In 1971, that opinion was expressed by 57 percent.

Ayn Rand, Philosopher, Dies at 77; Espoused 'Rational Selfishness'

By Wolfgang Saxon
New York Times Service

NEW YORK — Ayn Rand, 77, the writer and philosopher of "objectivism" who espoused "rational selfishness" and unfettered capitalism, died Saturday at her home here.

Miss Rand, whose first name rhymed with pine, was best known for her novels "The Fountainhead" of 1943, for which she also wrote the screenplay when it was turned into a movie with Gary Cooper and Patricia Neal, and "Atlas Shrugged," published in 1957.

Objectivism Criticized

But from the 1960 on, she increasingly devoted her writing to expounding her views more directly in such books as "The Virtue of Selfishness" (1965) and "Capitalism: The Unknown Ideal" (1966).

She was editor of The Objectivist, a monthly journal of ideas, from 1962 to 1971 and wrote The Ayn Rand Letter from 1971 to 1976.

Her detractors decried objectivism as the denial of selflessness. But Miss Rand, its founder, asserted that she never advocated the "pursuit of mindless self-interest."

est at all cost." What she stood for was the belief in the morality and desirability of complete laissez-faire capitalism and what she called "rational selfishness."

The concept of "rational selfishness" ran counter to "altruism," considered a virtue by many. Miss Rand despised it as personal weakness and held it responsible for much of the world's dishonesty and misery.

She explained: "My philosophy, in essence, is the concept of man as a heroic being, with his own happiness as the moral purpose of his life, with productive achievement as his noblest activity, and reason as his only absolute."

It was during the 1970s that Miss Rand, with lectures across the country, attracted the attention of a new generation of students who believed in unrestrained freedom and made her something of a cult figure in libertarian circles.

Miss Rand left no survivors in her immediate family.

Hippies-of-the-Right

Miss Rand herself spurned the libertarians as a "random collection of emotional hippies-of-the-right who seek to play at politics without philosophy."

She proclaimed herself as a supporter of President Gerald R. Ford because, she wrote, he was "the most honest defender of free enterprise." Miss Rand declared that she was "profoundly opposed" to Ronald Reagan and his presidential ambitions. "Since he denies the right to abortion, he cannot be a defender of any rights," she wrote.

Born Feb. 2, 1905, in St. Petersburg, now Leningrad, into a prosperous Jewish mercantile family, she was graduated from the University of Leningrad in 1924, two years before she came to the United States and headed for Hollywood to work as a movie extra and junior screenwriter.

She met Charles Francis O'Connor, an artist, on a movie set and married him in 1929. Mr. O'Connor died in 1979.

Miss Rand came to New York in 1929 to work for RKO Pictures, starting as a filing clerk and later becoming office head in the wardrobe department. Through the

1930s, she advanced her career as a screenwriter for Universal Pictures, Paramount Pictures and Metro-Goldwyn-Mayer.

Typist for Architect

She also worked without pay in 1937 as a typist for Eli Kahn, an architect, in order to do the research for her novel, "The Fountainhead." The story was that of an architect, later portrayed by Gary Cooper, who dynamited a building he had designed when he found that its design had been adulterated by others.

From 1951 until her death, she worked full-time as a writer and lecturer. Her last completed book, "Philosophy: Who Needs It," is to be published in November.

An associate, Leonard Peikoff, said Saturday that she was about a quarter of the way into the script for a television mini-series based on "Atlas Shrugged," said Betty Tom, assistant director of career counseling in the business school.



Ayn Rand
... in 1947.

Ex-Sen. Clifford Case, N.J. Republican, Dies

Washington Post Service

WASHINGTON — Former Sen. Clifford P. Case, 77, a Republican who represented New Jersey in the Senate for 24 years and was the ranking member of the Foreign Relations Committee before being defeated in his party's 1978 primary, died of lung cancer Friday at Georgetown University Hospital.

He joined key Democrats in the early 1970s in legislative efforts to curb the power of the president to wage war. The War Powers Act of 1973 stipulated that the president had to report any executive agree-

OBITUARIES

ment reached with a foreign country to Congress within 60 days.

The same year, he and Frank Church, then a Democratic senator from Idaho, co-sponsored legislation cutting off appropriations for U.S. combat operations anywhere in Indochina.

In the primary of 1978, Sen. Case was defeated for renomination by Jeffrey Bell, 34, who had been a member of Ronald Reagan's 1976 campaign staff. Mr. Bell was defeated in the general election by Democrat Bill Bradley.

During his years in the Senate and five terms in the House before that, Sen. Case became identified with his party's progressive wing. He generally voted for pro-labor and liberal domestic measures in both houses. One reporter called him a "traditional liberal in Republican clothing."

Sen. Case became known as one of the Senate's strongest supporters of Israel and fought the Carter administration's program of selling planes to Egypt and Saudi Arabia.

He supported the Panama Canal treaties and helped guide them to ratification. His other positions included a critical view of U.S. actions in Southeast Asia and the operations of U.S. intelligence agencies, and a belief that Congress should have a greater role in the conduct of foreign affairs.

and impersonations on the "Saturday Night Live" television show propelled him to stardom in the 1970s, was found dead Friday, apparently of natural causes, in a rented bungalow in Hollywood.

Mr. Beutish, whose bulging belly, rasping voice, wild eyes and erratic portrayals of grunting samurai warriors and killer bees made him a favorite of television audiences, was a member of NBC-TV's "Saturday Night Live" troupe from 1975 to 1979, when he left for Hollywood.

He appeared in a number of films, including "The National Lampoon's Animal House," "1941," "Old Boyfriends," "Continental Divide," and, most recently, "Neighbors."

Gabor Szabo

LOS ANGELES (AP) — Hungarian-born guitarist Gabor Szabo, 46, a 1956 insurgent who fell in love with jazz while listening to the Voice of America before fleeing to the United States, has died in Budapest, a newspaper said Saturday.

Mr. Szabo, who became famous for his blend of ethnic melodies and American jazz, had returned to Hungary in July to produce a record album and had planned to stay until this summer. He died Feb. 26 and was buried in Budapest. His brother, John Szabo, a Texas resident, said that the guitarist had been hospitalized since December with liver and kidney ailments.

When the Soviet Union put down Hungarian insurgents, Mr. Szabo, then 20, escaped to an Austrian refugee camp and later went to the United States. He formed his own group in the mid-1960s, producing albums including "Spellbinder," "Jazz Raga" and "Sorceror." He composed the score for the Roman Polanski film, "Repulsion," in 1965.

He supported the Panama Canal treaties and helped guide them to ratification. His other positions included a critical view of U.S. actions in Southeast Asia and the operations of U.S. intelligence agencies, and a belief that Congress should have a greater role in the conduct of foreign affairs.

— William Pollock

NEW YORK (NYT) — William Pollock, 82, general president of the Textile Workers Union of America from 1936 until 1972, died Wednesday.

International Bond Prices — Week of March 4

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

RECENT ISSUES

Am	Security	Sav/ Conv	Issue Pr.	Mid Pr.	Yield	Maturity	Yield	Am	Security	% Mat	Price	Mat Life	Conv	Am	Security	% Mat	Price	Mat Life	Conv	
5/26	Priy. Of Ontario	c	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Bank	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Bank	5 1/2 Jul	72 1/4	100	1/2
5/26	Ontario City	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Bank	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Bank	5 1/2 Jul	72 1/4	100	1/2
5/26	Quebec Hydro-Elec	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Bank	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Bank	5 1/2 Jul	72 1/4	100	1/2
5/26	Quebec Hydro-Elec	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Bank	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Bank	5 1/2 Jul	72 1/4	100	1/2
5/26	Quebec Urban Comm.	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Bank	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Bank	5 1/2 Jul	72 1/4	100	1/2
5/26	Royal Bank of Canada	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Bank	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Bank	5 1/2 Jul	72 1/4	100	1/2
5/26	Royal Trust Mortg.	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Royal Trust Mortg.	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Royal Trust Mortg.	5 1/2 Jul	72 1/4	100	1/2
5/26	Roy. of Canada	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Roy. of Canada	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Roy. of Canada	5 1/2 Jul	72 1/4	100	1/2
5/26	Roy. of Montreal	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Roy. of Montreal	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Roy. of Montreal	5 1/2 Jul	72 1/4	100	1/2
5/26	Roy. of Quebec	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Roy. of Quebec	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Roy. of Quebec	5 1/2 Jul	72 1/4	100	1/2
5/26	Roy. of Toronto	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	Roy. of Toronto	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	Roy. of Toronto	5 1/2 Jul	72 1/4	100	1/2
5/26	St. Gobain-Pfaltzgraff	s	75 Nov	44 2/4	15.79	1930	15.79	5/26	St. Gobain-Pfaltzgraff	5 1/2 Oct	71 1/4	100	1/2	10.33	5/26	St. Gobain-Pfaltzgraff	5 1/2 Jul	72 1/4	100	1/2
5/26	Tel																			

Pemex Deal Caught In Mideast Politics

By Carl Gewirtz

Arabs Blacklist Bank in Brussels

International Herald Tribune

PARIS — The Euromarket's usual preoccupation with which bank is doing how big a loan for whom was supplanted last week with a fascination about the policies of which banks are doing what to whom in the \$2-billion jumbo loan for Pemex.

As reported last week, Arab banks led by Arab Banking Corp., which had been appointed regional coordinator for the deal, withdrew from the operation in a

SYNDICATED LOANS

huff over the syndication strategy adopted by lead coordinator Cibank.

It now emerges that what the Arabs objected to was not so much the widening of the lead management group to 29 banks from the intended 20, but the fact that four Israeli banks were invited to join the loan. A report that they also objected to the invitation to the just nationalized Banque Rothschild de France "is just a red herring," said a senior official at one of the four Israeli banks. "It was just the four Israeli banks."

The boycott of what Arab institutions define as "Zionist" institutions first became an issue in the mid-1970s. There was a considerable stir in the Eurobond market then as some European banks caved in to demands that blacklisted banks be excluded from issues in which Arab banks participated.

Skillful Diplomacy

Thanks to skillful private diplomacy, an understanding was subsequently achieved whereby Arab and blacklisted banks would not sit together as co-managers of an issue but would disregard who chose to join the issue as just underwriters.

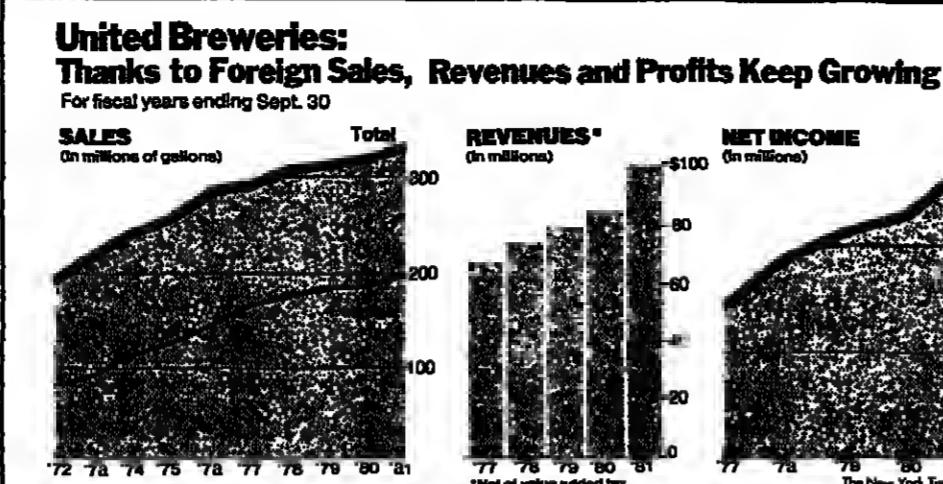
Now, suddenly, this modus vivendi is becoming undone. According to the Arab banks, the Israeli banks were not being asked to join the Pemex issue as managers, who are asked to underwrite \$69 million each, but as participants taking much smaller amounts.

What mystifies the market, however, is the fact that at latest count, not a single Israeli bank has joined the Pemex loan.

Israel does a considerable amount of trade with Mexico and buys its oil there, so inviting them to join the jumbo loan is logical. Credit Lyonnais of France, the European coordinator of the loan, would not confirm the Israelis had been invited, saying only that, given the size of the loan, invitations had been sent to all potential lenders. Efforts to confirm receipt of the invitation with Israeli banks were unsuccessful.

According to the Arabs, the Israelis were invited so as to "embarrass" the Arabs. They offer no elaboration, but presumably this

(Continued on Page 9, Col. 2)



China Taps Danish Brewer's Skill

By Frank J. Prial
New York Times Service

COPENHAGEN — Danes drink a lot of beer — about 32 gallons a year per capita. The Chinese drink very little beer — less than a gallon a year.

So the Danish company that owns the Carlsberg and Tuborg labels did some simple arithmetic. It came to an intoxicating conclusion, and in January, the company wrote a contract that could prove the coup of the decade in the beer business.

United Breweries Group, Europe's second-largest brewer, signed an open-ended agreement to help China quadruple its beer production over the next decade.

"We'll supply technical assistance," said Pou Svanholm, 48-year-old president and chief executive officer of United Breweries. "If the Chinese

are impressed by our efforts," he said, his voice trailing off. "How many people are there in China — 800 million?"

Based partly on rumors about the China breakthrough, United Breweries closely held stock more than doubled in value last year on the Copenhagen exchange.

Another impetus may have been the news, also disclosed in January, that Carlsberg scientists had made an important breakthrough in the exploitation of yeast-based enzymes. According to the company, the process offers an alternative to the chemical and gene-splicing techniques developed elsewhere to make human-like insulin. Carlsberg claims its process "has substantial earnings potential."

Carlsberg is thought to be the first beer company (Continued on Page 9, Col. 1)

Rift Hinders U.S. Firms in Fight Against New EEC Business Rules

By Thomas W. Lippman
Washington Post Service

WASHINGTON — Sweeping measures being drafted to regulate the management and operations of multinational corporations in the European Economic Community have aroused deep concern among the biggest blue-chip corporations in the United States, but a tactical split in their own ranks may undermine the U.S. efforts to defeat tone down the proposed rules.

The regulations, which are in various stages of the EEC's complex legislative process and are part of a long-term effort to harmonize the business laws of the EEC's 10 member states, would require multinational corporations to consolidate the financial reports of all their European operations and disclose exhaustive data on their plans and strategies. They would increase corporate liability for defective products, and give workers a major voice in management decision-making.

The most controversial is known as the "Vredeling proposal," after Dutch Socialist Henk Vredeling who first proposed it in 1980 when he was still a member of the EEC Commission. It would require parent corporations to give workers a semimannual "clear picture" of the entire corporation's financial situation.

U.S. business groups such as the Chamber of Commerce and the National Foreign Trade Council, and many of the giant U.S. corporations that have subsidiaries in Europe, believe that the proposed regulations can be eliminated or watered down through quiet negotiations with European officials.

Approval Seen Likely

A key committee of the European Parliament is scheduled to conclude its debate on the Vredeling proposal later this month. Diplomats and business executives in the United States and Europe say it is likely to be approved. The question is whether the parliament will propose amendments to make it more palatable to business before returning it to the EEC Commission for implementation.

If the regulations are adopted, large corporations doing business in all EEC states would be affected, even those headquartered outside Europe and those that are privately-held and exempt from disclosure laws in their home countries.

U.S. corporations, which appear to be the chief targets of the regulatory push have been shuttling executives back and forth across the Atlantic in an effort to tone down or fend off the regulations. But the argument over the most effective way to address the Europeans has at times obscured the debate over the complex rules themselves.

U.S. Money Figures Add to Bullish Sentiment

By Carl Gewirtz

International Herald Tribune

PARIS — If ever there were a week for a rally in the Eurobond market, this week looks like being it.

Demand for bonds was apparent all last week, with prices on the secondary market rising despite the absence of any decline in short-term rates, and new issues were well received — including the maiden \$400-million Eurobond offering by American Telephone & Telegraph bearing a startlingly low 14% percent coupon for seven years.

"It was a mildly bullish week," one trader commented, "with nobody quite believing it was justified but with everybody feeling obliged to participate, lest they miss the boat."

And they were right. Late Friday, the Federal Reserve reported the U.S. money supply dropped \$3 billion — a figure that was at the maximum end of what analysts had been forecasting. The reaction in the New York credit market was immediate: the price of Treasury securities jumped a full point while the cost of overnight money dropped in 13% percent from 14% percent opening level.

April Blues

Analysts now expect the money supply to decline through the end of this month. They worry about April, however, which year after year has pattern of strong growth in the M-1 measure of money supply. But that is a month away and for now analysts are anticipating a rally in bond prices based on signs that the U.S. economy continues to weaken and that therefore the Fed will have reason to relax its tight money policy.

The only drawback to a burgeoning calendar of new issues this week, bankers reported, is a reluctance by borrowers to jump into the market. Many borrowers prefer to wait in the belief that interest rates will drop even lower in coming weeks and that new issues could be floated more cheaply than at today's levels.

In addition to the AT&T paper, which was quoted on a when-issued basis at a 1% point discount from issue price, currently on offer are:

• Transcanada Pipelines Ltd.'s \$100-million, 10-year offering carrying an indicated coupon of 16 percent. The coupon and issue price will be set Wednesday. The

Key OPEC Nations Propose Coordinated Cuts in Output

By Thomas Thomson
Reuters

DOHA, Qatar — OPEC has decided to try to coordinate cuts in its oil production to defend current prices in a long-awaited response to the world oil glut, which it expects will ease in two or three months.

Key oil ministers struck an informal deal on production in talks here over the weekend after Saudi Arabia, the biggest exporter, said late Friday that it was cutting its own output ceiling from 8.5 million barrels daily to 7.5 million barrels daily.

One oil company spokesman said he considered a ceiling of 18.5 million barrels daily "a good bet" for OPEC, but he added: "We shall have to see whether economic activity will pick up."

Ministers of nine of the 13 members of the Organization of Petroleum Exporting Countries then worked out the essentials of an accord, to be clinched at an emergency OPEC conference that they scheduled for March 19 in Vienna.

The Iraqi minister, Tayeh Abdul-Karim, told reporters Sunday that the ministers took the new Saudi production figure, then considered output cuts offered by others, and were able to fix a new ceiling for total OPEC output of 18.5 million barrels a day — down from 20 million now.

The ministers, including Sheikh Ahmed Zaki Yamani of Saudi Arabia, said the OPEC benchmark price of \$24 for a barrel of Saudi light crude would not be changed until at least the end of the year.

Sheikh Yamani also insisted that Saudi Arabia produce around its ceiling of 8.5 million barrels daily in January and February, though industry sources have said that Saudi output had fallen to almost seven million barrels daily in February.

In London, however, Western oil industry executives said that defending prices might depend on whether OPEC has been able to match the new production figures and many of the giant U.S. corporations that have subsidiaries in Europe, believe that the proposed regulations can be eliminated or watered down through quiet negotiations with European officials.

But a faction spearheaded by Washington lawyer Paul Fisher regards the regulations as such a serious and imminent threat that the Europeans must be openly confronted, and has chosen a bluntly antagonistic approach — including the introduction of bills in Congress that would allow the U.S. government to prohibit U.S. corporations from complying with European disclosure regulations.

Sen. Steven Symms, a Republican from Idaho, who is carrying (Continued on Page 9, Col. 1)

"There are some countries which have the capacity to reduce a lot more than others," he said. "What we want is that the reduction be fairly shared."

Mr. Nabi said he was not sure the level of 18.5 million barrels daily would "have all the effects members of OPEC are expecting." OPEC will hold a regular meeting in Quito, Ecuador, on May 20 when it could reassess the market reaction, he said.

According to Petroleum Intelligence Weekly, a New York oil newsletter, only Saudi Arabia, the United Arab Emirates, Qatar and Kuwait among the 13 OPEC members have not been forced by falling oil sales to run budget deficits.

Saudi Arabia's new ceiling of 7.5 million barrels daily remains above the 6.2 million that Sheikh Yamani has said it must produce to meet financial needs.

W. German Union Wins 4.2% Raise in Key Pact

Reuters

KREFELD, West Germany — Union and management have agreed on a 4.2-percent wage increase for over a million metal workers in a settlement that should set the trend for four million other workers in West Germany's car, electrical and mechanical engineering industries.

The compromise, reached Saturday and backdated to Feb. 1, for metal workers in North Rhine-Westphalia, the industrial heartland of West Germany, amounts to a wage cut in real terms because inflation is running close to six percent. Last year's pay rise was 4.9 percent.

The two sides unanimously agreed to recommend the settlement for the country's 3.7 million metal workers.

Within hours, union and management in West Berlin said they would adopt the 4.2-percent settlement for the city's 9,000 metal workers. And union and management in Bavaria on Saturday adopted a similar 4.2-percent settlement for their 700,000 metal workers.

It was warned that if the rush by employers hardest hit by worker defections to offer secret discounts continued, the whole oil price system would crash.

Mr. Abdul-Karim was optimistic on Sunday that OPEC could stop world oil prices from going (Continued on Page 9, Col. 1)

other contracts next year, a Bavarian employers spokesman said.

The I.G. Metall union originally demanded a 7.5-percent rise while management offered only three percent, which broke down last month.

Thousands of metal workers staged token "warning" strikes in various parts of the country last week while arbitration was in progress in Krefeld.

Employers leader Paul Pleiger said the contract was too costly for many firms and would cause serious problems in view of the difficult economic and employment situation. There are nearly two million persons out of work in West Germany.

Wolfram Thiele, national metal industry employers leader, said a lower settlement would have been better for reducing unemployment.

But Mr. Pleiger, president of the North Rhine-Westphalia Metal Industry Employers Association, said the compromise would not block the way to boosting the market and securing jobs.

Union leader Karlheinz Brüder said price developments this year would show if the pay raise was right. It was up to employers to make the settlement work by holding prices down, said the Cologne area I.G. Metall leader.

al bahrain arab african bank (e.c.)

ALBAAB

BALANCE SHEET 31 DECEMBER 1981

ASSETS	1981 NOTE	U.S. \$	1980 U.S. \$
CASH AND DUE FROM BANKS		89,492,404	95,487,442
INTERBANK PLACEMENTS		310,915,320	241,818,993
CERTIFICATES OF DEPOSIT		15,359,093	15,366,973
BOND PORTFOLIO		16,648,711	10,256,979
COMMERCIAL LOANS AND ADVANCES		667,683,853	350,657,106
OTHER DEBIT ACCOUNTS		32,862,183	19,288,814
FIXED ASSETS		2,744,899	388,361
		1,135,506,263	733,264,868

CLIENTS' LIABILITIES — LETTERS OF CREDIT, GUARANTEES AND ACCEPTANCES	7	101,707,856	62,319,602
		1,237,214,119	795,584,270

LIABILITIES AND SHAREHOLDERS' EQUITY

SHARE CAPITAL	3	50,000,000	30,000,000
STATUTORY RESERVE	4	3	

International Bond Prices—Week of March 4

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

(Continued from Page 6)

Am.	Security	% Mat.	Middle Price	Ave. Price	Yield	Am.	Security	% Mat.	Middle Price	Ave. Price	Yield	Am.	Security	% Mat.	Middle Price	Ave. Price	Yield			
512	Petroleum	8 1/2 86 Dec	76	137.75	111.38		513	Kimberly-Clark Corp.	8 1/2 86 Apr	85 1/2	133.75	124.50		514	Tobaknafwertha	7 1/2 86 Feb	82	121.75	121.75	
514	Brents Red Neptune	5 1/4 85 Dec	65	132.50	127.50		515	Raven Oil Co.	8 1/2 86 Jun	85 1/2	132.50	127.50		515	West Germany	7 1/2 86 Jun	82	121.75	121.75	
515	Sweden	7 1/2 85 Jun	95	135.00	125.00		516	McGraw Edison Int'l	15 1/2 85 Mar	91 1/2	127.50	127.50		516	West Germany	7 1/2 86 Jun	82	121.75	121.75	
516	Sweden	7 1/2 85 Jun	95	135.00	125.00		517	Monogram Ind'l	15 1/2 85 Mar	91 1/2	127.50	127.50		517	West Germany	7 1/2 86 Jun	82	121.75	121.75	
517	Sweden	7 1/2 85 Jun	95	135.00	125.00		518	Selection Trust	12 1/2 85 Jun	91 1/2	125.25	125.25		518	West Germany	7 1/2 86 Jun	82	121.75	121.75	
518	Sweden	7 1/2 85 Jun	95	135.00	125.00		519	Worley Int'l	8 1/2 85 Oct	88 1/2	125.50	125.50		519	West Germany	7 1/2 86 Jun	82	121.75	121.75	
519	Sweden	7 1/2 85 Jun	95	135.00	125.00		520	Stouff Estates	8 1/2 85 Oct	88 1/2	125.50	125.50		520	West Germany	7 1/2 86 Jun	82	121.75	121.75	
520	Sweden	7 1/2 85 Jun	95	135.00	125.00		521	Swedish State	8 1/2 85 Oct	88 1/2	125.50	125.50		521	West Germany	7 1/2 86 Jun	82	121.75	121.75	
521	Sweden	7 1/2 85 Jun	95	135.00	125.00		522	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		522	West Germany	7 1/2 86 Jun	82	121.75	121.75	
522	Sweden	7 1/2 85 Jun	95	135.00	125.00		523	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		523	West Germany	7 1/2 86 Jun	82	121.75	121.75	
523	Sweden	7 1/2 85 Jun	95	135.00	125.00		524	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		524	West Germany	7 1/2 86 Jun	82	121.75	121.75	
524	Sweden	7 1/2 85 Jun	95	135.00	125.00		525	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		525	West Germany	7 1/2 86 Jun	82	121.75	121.75	
525	Sweden	7 1/2 85 Jun	95	135.00	125.00		526	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		526	West Germany	7 1/2 86 Jun	82	121.75	121.75	
526	Sweden	7 1/2 85 Jun	95	135.00	125.00		527	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		527	West Germany	7 1/2 86 Jun	82	121.75	121.75	
527	Sweden	7 1/2 85 Jun	95	135.00	125.00		528	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		528	West Germany	7 1/2 86 Jun	82	121.75	121.75	
528	Sweden	7 1/2 85 Jun	95	135.00	125.00		529	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		529	West Germany	7 1/2 86 Jun	82	121.75	121.75	
529	Sweden	7 1/2 85 Jun	95	135.00	125.00		530	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		530	West Germany	7 1/2 86 Jun	82	121.75	121.75	
530	Sweden	7 1/2 85 Jun	95	135.00	125.00		531	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		531	West Germany	7 1/2 86 Jun	82	121.75	121.75	
531	Sweden	7 1/2 85 Jun	95	135.00	125.00		532	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		532	West Germany	7 1/2 86 Jun	82	121.75	121.75	
532	Sweden	7 1/2 85 Jun	95	135.00	125.00		533	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		533	West Germany	7 1/2 86 Jun	82	121.75	121.75	
533	Sweden	7 1/2 85 Jun	95	135.00	125.00		534	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		534	West Germany	7 1/2 86 Jun	82	121.75	121.75	
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537	Sweden	7 1/2 85 Jun	95	135.00	125.00		538	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		538	West Germany	7 1/2 86 Jun	82	121.75	121.75	
538	Sweden	7 1/2 85 Jun	95	135.00	125.00		539	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		539	West Germany	7 1/2 86 Jun	82	121.75	121.75	
539	Sweden	7 1/2 85 Jun	95	135.00	125.00		540	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		540	West Germany	7 1/2 86 Jun	82	121.75	121.75	
540	Sweden	7 1/2 85 Jun	95	135.00	125.00		541	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		541	West Germany	7 1/2 86 Jun	82	121.75	121.75	
541	Sweden	7 1/2 85 Jun	95	135.00	125.00		542	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		542	West Germany	7 1/2 86 Jun	82	121.75	121.75	
542	Sweden	7 1/2 85 Jun	95	135.00	125.00		543	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		543	West Germany	7 1/2 86 Jun	82	121.75	121.75	
543	Sweden	7 1/2 85 Jun	95	135.00	125.00		544	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		544	West Germany	7 1/2 86 Jun	82	121.75	121.75	
544	Sweden	7 1/2 85 Jun	95	135.00	125.00		545	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		545	West Germany	7 1/2 86 Jun	82	121.75	121.75	
545	Sweden	7 1/2 85 Jun	95	135.00	125.00		546	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		546	West Germany	7 1/2 86 Jun	82	121.75	121.75	
546	Sweden	7 1/2 85 Jun	95	135.00	125.00		547	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		547	West Germany	7 1/2 86 Jun	82	121.75	121.75	
547	Sweden	7 1/2 85 Jun	95	135.00	125.00		548	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		548	West Germany	7 1/2 86 Jun	82	121.75	121.75	
548	Sweden	7 1/2 85 Jun	95	135.00	125.00		549	Swiss Reinsur	8 1/2 85 Oct	88 1/2	125.50	125.50		549	West Germany	7 1/2 86 Jun	82	121.75	121.75	
549	Sweden	7 1/2 85 Jun	95	13																

U.S. 'All Savers' Far Short of Goal

By Nancy L. Ross
Washington Post Service

WASHINGTON — Treasury Secretary Donald T. Regan declared: "It has not served the purpose it was designed to do, so there is no need to continue it," he sounded the death knell for the All Savers Certificate.

The All Savers Act was passed by Congress at the behest of the savings industry over the objections of the Reagan administration. Industry lobbyists persuaded legislators that the bill would pump sorely needed funds into ailing savings and loans and mutual savings banks. When commercial banks grumbled, they were added to the list of eligible sellers. And the housing industry was won over by a provision that 75 percent of net new funds would be earmarked for the residential sector. Agricultural loans were also included for political reasons.

Individuals who buy these certificates are allowed to exclude \$1,000 in interest payments from their income taxes; couples filing jointly may exclude \$2,000. The program, which began Oct. 1, runs until Dec. 31 of this year, but a bill has been introduced in Congress to extend it.

The U.S. League of Savings Associations optimistically predicted sales of All Savers Certificates would reach \$230 billion in 15 months. The Treasury estimated \$120 billion, whereas the Joint Taxation Committee settled on \$65 billion. The National Association of Home Builders and the Na-

tional Association of Realtors predicted that sales would help finance construction of 400,000 to 450,000 new houses during fiscal 1982 and 1983, an additional five million households would be able to qualify for mortgages, thanks to lower interest rates made possible because financial institutions pay only 70 percent of the Treasury annual average investment yield on the certificates.

Thrifts Lose

Sales during the first month reached \$35 billion, but tapered off rapidly. By the end of January the Federal Reserve put the combined total sold by banks and thrift institutions at \$45.4 billion. Reasons for the slowdown in sales include a decline in the interest rate paid on All Savers, competition from Individual Retirement Accounts, lack of a clear tax advantage to the middle income saver, and generally poor economic conditions. Moreover, the projections made by Data Resources Inc. for the construction industry were based on what proved to be an erroneously low interest rate of 12 percent.

That \$45.4 billion total breaks down as follows: commercial banks, \$19.7 billion; savings and loans, \$20.9 billion; and mutual savings banks, \$4.8 billion. For every new dollar customers put in, simply moved three or four dollars from existing accounts at the same institutions into All Savers. But since the law specifies

between the U.S. government and the European community.

Mr. Fisher, a partner in the firm of Patton, Boggs and Blow, represents Mars Inc., the representative company and vice chairman based in McLean, Va., and "about 20 other multinationals" that he declined to name because "a lot of them have investments in Europe which are hostages to the governments over there," he said.

He acknowledged that his tactics — which go so far as to suggest that U.S. defense commitments to NATO might diminish if the Europeans undercut U.S. economic interests — have stirred resentment within the EEC.

Reverse Effect

But, he argued, "publicity is our best weapon, because what they are doing is illegal. It is outside the scope of the Treaty of Rome," which created the EEC, he said, and since it is illegal "you can understand why the Europeans don't want to read it in the newspapers."

Such free-swinging verbal assaults, in the opinion of some opponents of the proposed regulations, have the effect of reinforcing



Donald T. Regan
...No need to continue it'

have had on profits is buried in a sea of red ink; thrifit lost \$6.5 billion last year.

For the effect on the housing market, again experts find some dissemble. Construction and real estate are both stymied by high interest rates. "It is hard to see a measurable effect," said Bob Sheehan, an economist with the National Association of Home Builders.

The law allows the money to be invested in conventional or government-insured mortgages, home improvement loans, rehabilitation, cooperative apartments and mobile homes as well as securities issued by secondary market agents such as the Federal National Mortgage Association. There is no breakdown on how the funds are being broken down.

All Savers sales allowed thrifit institutions to quell the outflow of deposits for one month before the run began again. During the fourth quarter, S&Ls made \$10 billion in mortgage loans, of which All Savers funds may have been a part. Any effect All Savers might

have very little chance of being passed in their present form.

Mr. Fisher is skeptical of such assurances. While U.S. executives who profess to understand European way of doing things and rely on a low-key approach are pursuing their gentlemanly negotiations, he argues, regulations that will damage their businesses are making their way toward adoption.

Ivor Richard, the British Laborite who as the EEC's commissioner for Social Affairs is the key figure on the European side, said recently that "the Fisher group's tactics are totally counterproductive. The persons they have to influence is me, and they have not had a scrap of influence on me, nor will they. We are legislating for Europe, not for the United States."

A London newsletter, *The Inside Line*, observed that "Europeans are baffled by the hysteria in America" over the Vredeling proposals. "Progressive politicians in Europe have been talking for decades about the democratization of management decision making ... Europeans are amazed that so much attention has been focused in America on proposals which

"I admit my style is unusual," he said, "but I grabbed their attention."

He so irritated the Europeans, and other representatives of U.S. business, at a meeting in Brussels last July that he and his law firm were dropped from the National Foreign Trade Council.

Then in October Mr. Fisher told the newspaper *Le Monde* that "the American firms, who control half the industrial capital of the European Community, some \$80 billion, are not without means of applying pressure" — just the sort of comment that arouses the resentment of Europe's leftist trade unions and nationalist politicians who are pressing for enactment of the corporate controls.

Le Monde named several of the corporate giants that have opposed the regulations — International Harvester, Union Carbide, General Motors, Ford, Kodak, IBM and others — and implied that Mr. Fisher represented them. That provoked outrage in the boardrooms of the corporations, according to several sources here and in Europe, and led them to openly repudiate Mr. Fisher and his tactics. Mr. Fisher says he was "misquoted" by *Le Monde*.

In 1980, the company reached a long-term agreement with its militant trade unions that will enable it to automate many of its production facilities. The company promised no dismissals for five years and that attrition would reduce the job total, 6,542 last year, by no more than 1,100 employees by May 1985.

This is particularly true at United Breweries, which is in fact run by academics. The company is about 70-percent-owned by the Carlsberg Foundation which is run by five trustees, all of them prominent academics chosen by and from the membership of the Royal

guidance, much of the training will be done at the Hoog Kong plant where Chinese technicians are to arrive this spring.

The first team of Danbrew technicians is already in Canton, at the Guangzhou brewery, and some of the Hong Kong Carlsberg is already distributed in China.

"Brewing techniques in China are about 40 years out of date," Mr. Knudsen said.

Fermentation, the basis of the company's new work with insulin as well as its classic efforts with beer, is a complex chemical process, which scientists are constantly trying to understand better and improve. Thus, basic and scientific research are natural partners.

Foreign business accounts for all the company's recent growth. Sales in Denmark, where Carlsberg and Tuborg share 80 percent of the market, have been static for a decade, while those overseas grew 4.1 percent last year alone. "Our future is overseas," a company executive said.

Exports from Denmark actually fell 5.4 percent year. "Shipping costs have increased enormously in recent years," explained Carlsberg spokesman Ole Andersen, "far out of proportion to the cost sense paying huge sums to ship water around the world."

Thus, there are company-owned breweries in Britain, Malawi, Malaya and Hong Kong, while licensees operate in Canada, Cyprus, the Ivory Coast, Greece, Ireland, Italy, Portugal, Spain, Sweden, France, Turkey, the United States, Belgium and Britain.

And competition overseas is heating up. "A big factor in that market is going to be Anheuser Busch," said Emanuel Goldman, an analyst with Sanford C. Bernstein & Co. "They are best marketing in France, Sweden, Germany, even Japan, and when they get rolling, they could make a real impact in overseas markets."

But most people in beer rate United Breweries highly for quality and innovation, as well as salesmanship.

Two years ago a subsidiary, Danbrew Consult Ltd. was set up, which brings together some 30 Carlsberg and Tuborg specialists in a consulting organization that can, its officers claim, do anything from correcting the taste of a client's beer to eliminating the ear-shattering noise in a bottling room to producing a complete, turnkey brewery operation.

"We thought we'd find our challenges in the third world," said Finn B. Knudsen, Danbrew's executive vice president, "but we spend most of our time helping established, industrial company breweries meet new environmental standards."

The Chinese connection expected to last a minimum of two years, came about through Carlsberg's prominence in Hong Kong where the company is part-owner of one of the most modern breweries in the world. The Chinese initiated the contact, and under Danbrew's

Bill to Revoke Shares Raises Investor Concern in Canada

By Irvin Lusky
Washington Post Service

TORONTO — Securities industry analysts are concerned a recent development in Canada's National Energy Program will probably lead to renewed friction between the United States and Canada and could cause foreign investors to dump Canadian oil and gas stocks.

Federal Energy Minister Marc Lalonde last month unveiled an omnibus Energy Security Act which, among many other proposed changes, could enable Canadian companies to drive out foreign shareholders.

The act contains amendments to many other pieces of federal legislation but the analysis are concerned about proposed changes in the Canada Business Corporations Act.

The act would do is to enable companies, dependent on a high degree of Canadian ownership as a requirement for government grants, royalties, licenses and permits to reduce foreign shareholdings by cancelling existing issued shares.

What the act would do is to enable companies, dependent on a high degree of Canadian ownership as a requirement for government grants, royalties, licenses and permits to reduce foreign shareholdings by cancelling existing issued shares.

They also fear that Canadian oil and gas shares will decline if companies use their own funds to buy back stock, reissue it in restricted form, and attempt to resell the shares to the smaller Canadian population.

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MARK (Deutsch) 12,75%
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Union Bank of Switzerland (Securities) Limited

March 8, 1982

International Bond Prices—Week of March 4

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

(Continued from Page 8)

Am.	Security	Middle Conv.	Conv. Pmt.	Conv. Yld%	Conv. Yld% Prev. Wk	Am.	Security	Middle Conv.	Conv. Pmt.	Conv. Yld%	Conv. Yld% Prev. Wk	Am.	Security	Middle Conv.	Conv. Pmt.	Conv. Yld%	Conv. Yld% Prev. Wk	
5/30	U.S. Govt. Fls. 20/25	1 May '75				913	Cell Ind. 5/6/85	1 May '85				540	Warren Lumber 1/25	1 Apr '72				
5/30	6 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		525	Owen Illinois 32/34	29/30 Nov '74	4.99	4.97		530	Warren Lumber 1/44	4/12/1987 Aus.	4.93	4.92		
5/30	7 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		526	Penn American 6/25	1 May '85				530	Warren Lumber 1/44	4/12/1987 Aus.	4.93	4.92		
5/30	8 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		527	1 May '85	12/23 Dec '74				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	9 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		528	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	10 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		529	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	11 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		530	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	12 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		531	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	13 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		532	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	14 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		533	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	15 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		534	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	16 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		535	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	17 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		536	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	18 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		537	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	19 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		538	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	20 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		539	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	21 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		540	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	22 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		541	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	23 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		542	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	24 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		543	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	25 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		544	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	26 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		545	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	27 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		546	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	28 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		547	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	29 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		548	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	30 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		549	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	31 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		550	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	32 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		551	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	33 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		552	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	34 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		553	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	35 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		554	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	36 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		555	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	37 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		556	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	38 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		557	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	39 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		558	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	40 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		559	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	41 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		560	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	42 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		561	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	43 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		562	1/2/16/1985 Dec	1 May '85				530	Xerox Corp 2/25	4/11/1987 Aus.	4.93	4.92		
5/30	44 % 1987 Aus.	124 1/2 maturity 6/21/75	5.25	5.22		563	1/2/16/1985 Dec	1 May '85										



Thanks to an unidentified Louisville player, St. Louis University guard Isaiah Singletary took on something of a new look in first-round Metro Conference action Friday. Louisville won, 76-64.

Over-the-Counter

(Continued from Page 10)

	Sales In 100s	High	Low	Last	Net Chg
Grocery 3	406	114	11	11	-12
Grocery 4	15	12	11	11	-12
Grocery 5	232	146	121	114	-16
Grocery 6	55	52	48	48	-12
Grocery 7	14	14	13	13	-1
Guardian 44	2	18	16	16	-2
GulfCo 20	115	104	96	96	-12
GulfCo 21	115	104	96	96	-12
GulfCo 22	218	212	212	212	+1
GulfCo 23	17	17	16	16	-1
GulfCo 24	114	104	96	96	-12
GulfCo 25	159	154	146	146	-12
GulfCo 26	223	216	208	208	-12
GulfCo 27	22	20	19	19	-1
GulfCo 28	115	104	96	96	-12
GulfCo 29	22	20	19	19	-1
GulfCo 30	115	104	96	96	-12
GulfCo 31	22	20	19	19	-1
GulfCo 32	115	104	96	96	-12
GulfCo 33	22	20	19	19	-1
GulfCo 34	115	104	96	96	-12
GulfCo 35	22	20	19	19	-1
GulfCo 36	115	104	96	96	-12
GulfCo 37	22	20	19	19	-1
GulfCo 38	115	104	96	96	-12
GulfCo 39	22	20	19	19	-1
GulfCo 40	115	104	96	96	-12
GulfCo 41	22	20	19	19	-1
GulfCo 42	115	104	96	96	-12
GulfCo 43	22	20	19	19	-1
GulfCo 44	115	104	96	96	-12
GulfCo 45	22	20	19	19	-1
GulfCo 46	115	104	96	96	-12
GulfCo 47	22	20	19	19	-1
GulfCo 48	115	104	96	96	-12
GulfCo 49	22	20	19	19	-1
GulfCo 50	115	104	96	96	-12
GulfCo 51	22	20	19	19	-1
GulfCo 52	115	104	96	96	-12
GulfCo 53	22	20	19	19	-1
GulfCo 54	115	104	96	96	-12
GulfCo 55	22	20	19	19	-1
GulfCo 56	115	104	96	96	-12
GulfCo 57	22	20	19	19	-1
GulfCo 58	115	104	96	96	-12
GulfCo 59	22	20	19	19	-1
GulfCo 60	115	104	96	96	-12
GulfCo 61	22	20	19	19	-1
GulfCo 62	115	104	96	96	-12
GulfCo 63	22	20	19	19	-1
GulfCo 64	115	104	96	96	-12
GulfCo 65	22	20	19	19	-1
GulfCo 66	115	104	96	96	-12
GulfCo 67	22	20	19	19	-1
GulfCo 68	115	104	96	96	-12
GulfCo 69	22	20	19	19	-1
GulfCo 70	115	104	96	96	-12
GulfCo 71	22	20	19	19	-1
GulfCo 72	115	104	96	96	-12
GulfCo 73	22	20	19	19	-1
GulfCo 74	115	104	96	96	-12
GulfCo 75	22	20	19	19	-1
GulfCo 76	115	104	96	96	-12
GulfCo 77	22	20	19	19	-1
GulfCo 78	115	104	96	96	-12
GulfCo 79	22	20	19	19	-1
GulfCo 80	115	104	96	96	-12
GulfCo 81	22	20	19	19	-1
GulfCo 82	115	104	96	96	-12
GulfCo 83	22	20	19	19	-1
GulfCo 84	115	104	96	96	-12
GulfCo 85	22	20	19	19	-1
GulfCo 86	115	104	96	96	-12
GulfCo 87	22	20	19	19	-1
GulfCo 88	115	104	96	96	-12
GulfCo 89	22	20	19	19	-1
GulfCo 90	115	104	96	96	-12
GulfCo 91	22	20	19	19	-1
GulfCo 92	115	104	96	96	-12
GulfCo 93	22	20	19	19	-1
GulfCo 94	115	104	96	96	-12
GulfCo 95	22	20	19	19	-1
GulfCo 96	115	104	96	96	-12
GulfCo 97	22	20	19	19	-1
GulfCo 98	115	104	96	96	-12
GulfCo 99	22	20	19	19	-1
GulfCo 100	115	104	96	96	-12
GulfCo 101	22	20	19	19	-1
GulfCo 102	115	104	96	96	-12
GulfCo 103	22	20	19	19	-1
GulfCo 104	115	104	96	96	-12
GulfCo 105	22	20	19	19	-1
GulfCo 106	115	104	96	96	-12
GulfCo 107	22	20	19	19	-1
GulfCo 108	115	104	96	96	-12
GulfCo 109	22	20	19	19	-1
GulfCo 110	115	104	96	96	-12
GulfCo 111	22	20	19	19	-1
GulfCo 112	115	104	96	96	-12
GulfCo 113	22	20	19	19	-1
GulfCo 114	115	104	96	96	-12
GulfCo 115	22	20	19	19	-1
GulfCo 116	115	104	96	96	-12
GulfCo 117	22	20	19	19	-1
GulfCo 118	115	104	96	96	-12
GulfCo 119	22	20	19	19	-1
GulfCo 120	115	104	96	96	-12
GulfCo 121	22	20	19	19	-1
GulfCo 122	115	104	96	96	-12
GulfCo 123	22	20	19	19	-1
GulfCo 124	115	104	96	96	-12
GulfCo 125	22	20	19	19	-1
GulfCo 126	115	104	96	96	-12
GulfCo 127	22	20	19	19	-1
GulfCo 128	115	104	96	96	-12
GulfCo 129	22	20	19	19	-1
GulfCo 130	115	104	96	96	-12
GulfCo 131	22	20	19	19	-1
GulfCo 132	115	104	96	96	-12
GulfCo 133	22	20	19	19	-1
GulfCo 134	115	104	96	96	-12
GulfCo 135	22	20	19	19	-1
GulfCo 136	115	104	96	96	-12
GulfCo 137	22	20	19	19	-1
GulfCo 138	115	104	96	96	-12
GulfCo 139	22	20	19	19	-1
GulfCo 140	115	104	96	96	-12
GulfCo 141	22	20	19	19	-1
GulfCo 142	115	104	96	96	-12
GulfCo 143	22	20	19	19	-1
GulfCo 144	115	104	96	96	-12
GulfCo 145	22	20	19	19	-1
GulfCo 146	115	104	96	96	-12
GulfCo 147	22	20	19	19	-1
GulfCo 148	115	104	96	96	-12
GulfCo 149	22	20	19	19	-1
GulfCo 150	115	104	96	96	-12
GulfCo 151	22	20	19	19	-1
GulfCo 152	115	104	96	96	-12
GulfCo 153	22	20	19	19	-1
GulfCo 154	115	104	96	96	-12
GulfCo 155	22	20	19	19	-1
GulfCo 156	115	104	96	96	-12
GulfCo 157	22	2			

Confident Scottish Rugger Subdue French, 16-7

By Bob Donahue
International Herald Tribune

EDINBURGH — Scots in white jerseys and shorts ended up playing with the confidence of an avalanche, reminding onlookers of 15-man swoops by New Zealand's recent All Blacks at their best. Still, the end Saturday the score was my Scotland 16, France 7.

The white, instead of Scotland's usual midnight blue, had enabled the French to wear their royal blue. The narrow points margin, so, might have been pleasing to millions of French fans watching listening at home.

But one doubted that. Down the press box at Murrayfield after live French radio commentary being shouted — with a reference to a costly Napoleonic battle in the retreat from Russia — into telephone early in the final quarter: "There's no point waiting any longer to sum up! This is Berezina! This is catastrophe!"

This was the third of four matches in the Five Nations rugby championship for both sides. Scotland, with Wales yet to play, has a victory, a draw and a loss. France, with undefeated Ireland yet to play, has three losses.

A few hours earlier, on Princes street in the center of Edinburgh, playful Frenchman was heard asking a policeman in order the sizzle stopped. The big Scot roared without looking down: "I ordered it started." Apparently imagining that the sun always shines in the Basque coast, Scots had been praying for familiar rain to help them beat brilliant Frenchies.

In Good Hands

Down Princes Street, Past National Bistro, and an enormous old cross between Chambord and the Kremlin called Donaldson's School for the Deaf, and an odorous distillery, and a stroen showroom, of all things.

To Murrayfield's grassy east embankment and the venerable grandstand opposite.

The fine drizzle stopped, leaving a condition known as "slightly greasy." Strange to say, Basque backs would often drop the ball but Scots almost never.

Fullback Andy Irvine, the captain and Scottish national hero, kicked a penalty after 2 minutes and 35 seconds. Fullback Marc Sallefranque missed after six minutes. Then Irvine missed three times and Sallefranque once. The French had been told to start cautiously; even so, right wing Serge Bianco might have had a try if Sallefranque had passed to him. The French were holding their own in the lineouts but suffering in the scrums.

It was from a scrum, though, that scrumhalf Gérard Martinez broke in the 37th minute, flipping a backhanded little pass to his captain, Jean-Pierre Rives, who scrummed ahead for a try in the middle, short legs pumping and long blond hair in the wind. Sallefranque missed the easy conversion but finally managed a penalty. The score, 7-3 for France. Berezina?

Sallefranque of Dax, who is 21, missed again. Irvine of Edinburgh, who is 30, didn't: 7-6 for France. Jean-Patrick Lescarboura of Dax, who is 20, missed. Jim Renwick of Hawick, who is 30, dropped a goal: 9-7 for Scotland. Whereupon Scotland took heart and France lost heart, as both sides later saw it.

England Beats Wales

International Herald Tribune

LONDON — Brash says Saturday by wings Mike Slemen and John Carton locked up second place for England in the championship. Three penalty goals by Dusty Hare were eventually punished in a 17-7 defeat of Wales.

Another winner was Ireland, now assured of finishing alone in

played 43 times for Scotland, said he had never seen such a bad French team. There was another way to look at it: Irvine said he couldn't remember Scottish forwards playing better.

A few yards away, young Basques in dinner jackets were singing strongly and well together in defiance of likely bad news to come for some, when the team to play Ireland is picked. On Friday in Edinburgh, French Universities, 36-18. A few weeks earlier, in the annual match between the universities to the national teams, France B had piled up more than 40 points in a rout of Scotland B.

Derek White, a Scottish flanker in his first international Saturday, is the fifth rookie of 6-foot-3 or more to make his mark in the 1982 championship, after Ireland's Donal Lenihan, Welshmen Richard and Mortuary and Steve Sutton and England's Steve Bainbridge. The French have tried and dropped two, Alain Lorieux and Eric Buret, and a third, Andrew Rodriguez, may or may not survive.

In Cardiff March 20, Scotland will try to end a 28-game undefeated Welsh streak at home in the championship. In Paris, France will try to prevent the first Irish grand slam since 1948. Reliable placekickers will be useful, in a championship that has so far produced 43 penalty goals but only 18 tries.

year-old Red, the way someone born on a farm — as the Mazotas were — might say, "The land is strong."

The strike last season was just a temporary annoyance. Oh, I still enjoy the game," says Leo, 73, a former lawyer, as if the mere thought of abandoning the game were the extreme of cutting off one's own nose. "The players are more intelligent now. There's more finesse. Baseball's just got a lot more to it than other sports, more substance."

"Game's just as good as ever, I guess. Some ways better. More speed now," says Ted, 70, whose words are clipped and pruned — partly by a life in New England, partly, perhaps, because he was a telephone operator. "Best part is, the game's there for you every day."

Shoulder to shoulder in the third-base stands, the two burly ones, Red and Leo, are bookends around thin Ted, who looks like actor Don Knotts. All wear floppy baseball-style caps and have the ruffled, self-sufficient look of a harder but simpler age. They're senior citizens, retired, no wives left.

These three Connecticut Yankees migrate to Florida from Hartford as soon as the ballplayers arrive. In the morning, they play golf. Then they head to the Yankee ballpark here. They come early to catch the bargain days when workers and calligraphers and drills and rookie B games are free. They've got tickets to nine Yankee spring training games, but resent paying \$5 for an exhibition.

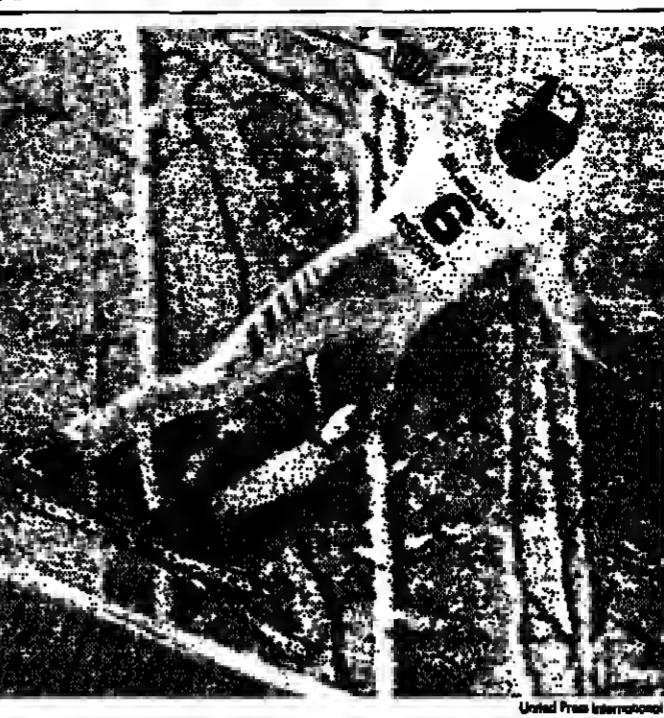
"Fifteen years ago, you got a real program. Now, they hand you this lousy piece of paper," says Red, looking at the flimsy, tissue-thin scorecard.

After scrumhalf Terry Holmes (scorer of two of Wales' three tries this year) went off with an injured shoulder early in the second half and Hare kicked his third penalty, English defense ruled until the end.

The Welsh had started Saturday with a theoretical chance to finish the championship in a first-place tie with Ireland. Now the best they can hope for March 20 is third place — the worst Welsh showing since the 1960s.

Welsh supporters found their team too tame. As one who followed a policeman obediently to jail put it later in court, still wearing the Welsh red dragon costume in which he had been nabbed for disorderly conduct, "I should have had coal and a box of fire-lighters" for breakfast instead of poached egg on toast.

The court was amused, but the dragon was fined £10. The team traveled home Sunday to face harsher summings-up.



Peter Müller picking up his third straight World Cup Victory.

Müller Takes Last Downhill Of Cup Season

United Press International

ASPEN, Colo. — Peter Müller of Switzerland ended the World Cup downhill season with his third consecutive victory Saturday, finishing the 3,170-meter (1.97 miles) course in 1:46.50.

The victory gave Müller 115 points, equaling Canadian Steve Podborski's total, but Podborski is the 1982 downhill champion because his sixth-best finish this season was better than Müller's. The top five finishes determine the World Cup points.

Both Podborski, the first downhill champion from North America, and Müller, who won the title twice in 1979 and 1980, each won three races and placed second on two occasions this season for a total of 115 points. The neophyte was Podborski's sixth-best effort — a fourth at Val d'Isere, France, which topped Müller's sixth-place finish at Kitzbühel, Austria.

"I forgot about the problems early and now it's all OK and I'm very happy," said Müller, 24. "I hurt my leg in September ... but now my form comes back."

Canadian Todd Brooker was second in 1:47.18 Saturday, and Austrian Helmut Hoeflhofer third at 1:47.31. Veteran American racer Phil Mahre, who is leading both the World Cup slalom and giant slalom standings and is virtually assured of winning his second overall cup championship, finished ninth in a time of 1:48.21.

FINAL DOWNHILL STANDINGS

1. Peter Müller, Switzerland 115.
2. Steve Podborski, Canada 115.
3. Helmut Hoeflhofer, Austria 1:47.31.
4. Horst Weisneth, Austria 1:47.35.
5. Silvano Metz, Switzerland 1:47.41.
6. Gustav Oberholzer, Switzerland 1:47.49.
7. David Irwin, Canada 1:47.95.

FINAL DOWNHILL STANDINGS

1. Peter Müller, Switzerland 115.
2. Steve Podborski, Canada and Müller, 115.
3. Helmut Hoeflhofer, Austria 1:47.31.
4. Todd Brooker, Canada 1:47.31.
5. Horst Weisneth, Austria 1:47.35.
6. Silvano Metz, Switzerland 1:47.41.
7. Gustav Oberholzer, Switzerland 1:47.49.
8. David Irwin, Canada 1:47.95.

SPURS AND BUCKS BREAK RECORD IN 171-166 Shootout

The Associated Press

SAN ANTONIO, Texas — A sellout crowd at HemisFair arena got its money's worth Saturday night, when it took the San Antonio Spurs three overtimes to register a record-breaking 171-166 National Basketball Association victory over the Milwaukee Bucks.

The clubs' total of 337 points broke the NBA record of 316, set in 1962 when Wilt Chamberlain scored 100 points to lead Philadelphia past New York, 169-147, and matched in 1970 when Cincinnati beat San Diego, 165-151. The Spurs' total came within two points of the old record for most points scored by a team, set in 1959 when Boston scored 173 against Minneapolis.

The winners' George Gervin had a season-high 50 points, offsetting a brilliant 42-point effort by Brian Winters. With Winters hitting his team's final 13 points, Milwaukee rallied from six points down with 2:53 remaining to send the game into overtime at 131-all.

The Bucks' total of 337 points look for the best in Commissioner Bowie Kuhn. "He just gets stuck trying to satisfy everybody," Ted says.

Like all who care for the game, they'd rather talk the royalties of the heart than the economics of the wallet.

"The Yogi Berra," says Red, spotting the Yankee coach. "Gets \$50,000 or \$60,000 a year to count the baseballs."

"Bill Dickey was better," says Leo. They all nod agreement. Next case.

Chris Chambliss steps to the plate. "Dignified," says Red.

"Journeyman," amends Ted.

"A top journeyman," says Leo, getting it precisely right. Next case.

"The Babe was my all-time favorite, an automatic showman," says Ted, who's such a Yankee fan that he says he drinks Ruppert's whiskey in honor of roaring '20s Yankee owner Jake Ruppert.

"Never compare to Ruth."

"Ted Williams compares to all of them," demurs Leo, giving the perspective of the lifelong suffering Red Sox fan.

Since Hartford is midway between Boston and New York, the Mazotas are part of that town's historic schizophrenia regarding the Red Sox-Yankee rivalry. As a consequence, Hartford has, for decades, been bombarded with TV broadcasts from both clubs, making it a fans' paradise.

The Bucks took substantial leads in the first two extra periods, only to have the Spurs militarily counter-attack. Milwaukee led 145-141 with 36 seconds left in the first and held a 157-153 lead with 33 left in the second. But Mike Mitchell hit a shot at the buzzer to knot the first overtime at 145-145 and Gervin tied the second.

Gervin made eight straight points in the third overtime to stake San Antonio to a 165-161 lead with less than two minutes remaining. The Bucks were unable close the gap.

NBA Standings

EASTERN CONFERENCE

Atlantic Division

1. Boston 337. 2. Philadelphia 316. 3. New Jersey 297. 4. Washington 296. 5. Cleveland 295. 6. Detroit 294. 7. Atlanta 293. 8. Milwaukee 290.

Central Division

1. Indiana 297. 2. Detroit 295. 3. Atlanta 294. 4. Chicago 293. 5. Cleveland 292.

Pacific Division

1. Los Angeles 316. 2. Seattle 315. 3. Golden State 314. 4. Phoenix 313. 5. Portland 312. 6. San Antonio 311.

WESTERN CONFERENCE

Midwest Division

1. Chicago 316. 2. Milwaukee 315. 3. Indiana 314. 4. Detroit 313. 5. Cleveland 312.

Pacific Division

1. Los Angeles 316. 2. Seattle 315. 3. Golden State 314. 4. Phoenix 313. 5. Portland 312. 6. San Antonio 311.

Scorers' Record

1. George Gervin, San Antonio 337.

2. Bill Cartwright, Milwaukee 171.

3. Tom Chambers, San Antonio 166.

4. Tom Tolbert, Milwaukee 166.

5. Tom Tolbert, Milwaukee 166.

6. Tom Tolbert, Milwaukee 166.

7. Tom Tolbert, Milwaukee 166.

8. Tom Tolbert, Milwaukee 166.

9. Tom Tolbert, Milwaukee 166.

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31. Tom Tolbert, Milwaukee 166.

32. Tom Tolbert, Milwaukee 166.

33. Tom Tolbert, Milwaukee 166.

34. Tom Tolbert, Milwaukee 166.

35. Tom Tolbert, Milwaukee 166.

36. Tom Tolbert, Milwaukee 166.

37. Tom Tolbert, Milwaukee 166.

38. Tom Tolbert, Milwaukee 166.

39. Tom Tolbert, Milwaukee 166.

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Language

Fruitful Exchanges

By William Safire

NEW YORK — "The foreign minister and the secretary had a fruitful exchange of views," says the Official Spokesman.

The State Department correspondent jots down "fru." and asks, "Would you also characterize their talks as candid?"

"A full and fruitful exchange," says the Spokesman carefully, adding a new adjective, not the one the reporter suggested.

"You would not say 'full and frank?'" asks another member of journalism's ultracognoscenti.

The Official Spokesman never overtly rejects a word of art, but substitutes one of his own: "Forthcoming," he says finally.

Here is the key to that minutiae in spokesman speak: fruitful means: "It went pretty well. They got somewhere." Candid means: "They hollered at each other a lot and told each other where to go off." Frank is the diplomat's way of saying: "We did not agree on a thing." Full means: "It went longer than we figured; lunch got cold, the chef is miffed." Full and frank means: "It looks like war." Forthcoming means: "They actually made an offer, and we're thinking about it." Its opposite is unhelpful, which translates as: "Such crude interference could set back the cause of peace for decades."

Those are the old standbys in striped-pants vocabulary, which are sometimes adopted by politicians: When Sen. Edward Kennedy left a meeting with President Carter, who had tried to talk him out of running for the 1980 Democratic nomination, the senator called their meeting "frank but not unfriendly."

Robert McCloskey, a veteran State Department spokesman now a columnist, recalls describing meetings with a French term — *tour d'horizon* — which meant "wide-ranging discussion." He used that whenever reporters wanted to zero in on a particular topic, and he wanted to signal that "they talked about a lot of things, not only that."

A newer locution in diplomatics is Sherpa meeting, an extension of the "summit" metaphor begun in



Safire

World War II by Winston Churchill. A Sherpa is a member of a Tibetan people, living on the southern slopes of the Himalayas in Nepal, famed for mountain-climbing capabilities. Sherpa Tezeng was famous for participating in the first conquest of Mount Everest. In Sherpa meetings, diplomats prepare the documents for world leaders to sign at summit meetings.

Chuchill was also present at the creation of a ringing diplomatic phrase when he said at the Guildhall in London, in the opening days of World War I, "The maxim of the British people is: Business as usual." This was a defiant maxim, telling the world that no war could interrupt the steadfast work of the British people.

In the generation between the wars, however, a curious conversion overtook the phrase. "No business as usual" was a sardonic Depression sign, and the once-proud slogan gained a meaning of smugness and complacency. And so it is today: "The United States has made clear," Secretary of State Haig told the Senate Foreign Relations Committee, as he recommended measures to prevent Poland from going into default, "that we will not do business as usual with either Poland or the Soviet Union while repression in Poland continues."

STATE, the official publication of the Department of State, circulated around the world to Foreign Service officers and State employees, has decided to adopt the epigram, pronoun *s/he*.

Concerned about sexual stereotyping, some writers and editors have been looking for ways to avoid sentences like: "Everybody should watch his English." One way to avert the suggestion that everybody is a he is to add the words "or her," which strikes me as awkwardly straining to be fair; a better way, if talking to a horde of chairpersons, is to recast such sentences ("We should all watch our English").

"The use of 's/he' is confined to this magazine," says Mr. [Master/Miss/Mrs./Ms.] Sanford Wattzman, the amiable editor of State, "and does not represent official State Department policy."

Let the editor have his fun; let editors generally have their fun, but do not let the editor have his or her fun. Avoid such artificial devices as "What did she say?" It's unspeakable.

New York Times Service

By R.W. Apple Jr.

New York Times Service

LONDON — They come from Charolles, a small town in the hills of central France. As youngsters, they tasted the superb gastronomic specialties of the surrounding region — Charolais beef, Beaujolais and Burgundy wines, Bresse chickens, Auvergne cheeses.

So it is not surprising that Albert and Michel Roux decided to become chefs. What is surprising is that they chose to pursue their careers in England, which had previously shown a limited appetite for the best French cooking, and that they succeeded so well that they changed the whole character of the restaurant trade in London.

There were good French restaurants here before the Roux brothers arrived. But they set out to create great ones, and this year they received their reward — a third star from the Michelin Guide, the first ever awarded by that august French publication to a restaurant in Britain. In the guide's view, that means that Le Gavroche, the Roux flagship, is as good a restaurant as those of Alain Chapel, Pierre and Jean Troisgros, Michel Guérard and the other French culinary princes.

France has 21 three-star eating places. West Germany has three, Belgium has two and now Britain has one.

[AP] reported there were no major changes in the new Michelin guide for France, which went on sale Friday. There were no new three-star restaurants and none that lost their third star.

The new Gavroche, which is on Upper Brook Street in Mayfair, a short walk from the U.S. Embassy, has been open for only a few months. But the menu is quite similar to that of the old Gavroche, which was in a much less grand corner of Chelsea, and where Albert and Michel Roux refined the styles they had developed as private cooks in France and in England, working in turn for Astors and Rothschilds, for ambassadors and for the queen's race horse trainer, Peter Canelet.

Albert, a short, stocky man of 46, runs the kitchen at Gavroche. Michel, taller and leaner, is in charge at the Waterside Inn at Bray, a 45-minute drive west of London, in a lovely setting of weeping willows and oaks beside the Thames River. The Waterside gets two Michelin stars and a third Roux property, the Poulet, in the City, gets one. Two bistrots — Le Gamin, near St. Paul's Cathedral, and Gavroche, on the site of the old Gavroche — complete the empire.

Gavroche gets a red M, which

the guide awards to restaurants serving a somewhat less elaborate but nonetheless always carefully prepared meal. As if that were not enough, the brothers hold minority interests in two other London restaurants run by former cooks at the Gavroche — Tante Claire, which has two stars, and L'Interlude de Tabalou, which has one.

There is more to come. Peter Chandler, another veteran of the Roux kitchens, now cooking for a firm of stockbrokers in the city, is to open a restaurant here next year. He is English. Michael Hutchins, an American whom



Albert Roux (left), brother Michel at La Gavroche in London.

Albert Roux describes as "the best all-round we have ever had," and who also worked in France at the restaurants of Alain Chapel and the Troisgros brothers, is planning a restaurant in Los Angeles. And this month the Roux brothers will open their first restaurant on their native soil, the Chateau de Montreal at Montreal, near Boulogne-sur-Mer.

Common Theme

The names of the four London restaurants are linked by a common theme. *Gamin* and *gavroche* are French words for street urchins; *gavroche* is a nickname for the old Gavroche, and Francis Poulot was a French artist who specialized in depicting urchins.

In addition, the restaurants share a tendency, mildly irritating to those familiar with gastronomic French, to use women's names rather than traditional terms to describe their specialities.

N nonetheless, there are those who question whether the Gavroche is the equal of the best in France. Claude Jolly, the restaurant critic of the French weekly *L'Express* and a frequent customer, is one of the doubters. So is Egon Ronay, who publishes one of Britain's leading guides. He gives two stars to the Gavroche and three to the Waterside, where Michel Roux practices a somewhat more elaborate style of cooking than his brother, Christopher Driver, editor of the Good Food Guide, considers the Gavroche among Britain's best places but thinks there are others equally deserving of the highest ranking.

The new Gavroche, for example, offers chicken *Genevieve* and *loumadas Arlette*, among other dishes. Albert Roux confesses that it is his doing.

"I guess I'm a little like a painter," he said in a recent interview. "When he paints something, he puts her on canvas. When someone interesting captures my attention, I put her into the frying pan."

The third star was by no means a commercial necessity for the Roux brothers. They have never been short of clients. But for Albert Roux, at least, it means far more than mere money. Earnestly, he described the award as "the realization of my life's goal."

As is often the case, Michelin appears to have been influenced by the decor in deciding to give its highest accolade to the Gavroche. Located in a basement, it is decorated as an English club with unlimited funds might be decorated, with olive-green fabric walls, green and beige carpeting, comfortable barrel chairs, discreet modern paintings, well-spaced tables and lanternlike lights on the walls.

The table settings are sumptuous, complete with carefully arranged fresh flowers and the oversize German plates by Villeroy & Boch that have become the trademark of ambitious restaurants in Western Europe.

Staff Morale

But the food, too, seems slightly better than that at the old Gavroche, perhaps because of the big, gleaming kitchen, perhaps because the morale of the staff has been lifted by the more elegant surroundings.

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Letter From Geneva

Alpine Aerial Anatomy

By John Chadwick

GENEVA — Howard Ticknor, a man who goes looking for lightning.

Snowstorms, hurricanes — whatever sort of weather means trouble — is where Ticknor aims his four-engined Lockheed 188 research plane. "It goes with the job," the former U.S. Air Force pilot said.

As part of a multinational team which last week began a two-month weather probe based at Geneva airport, Ticknor has the whole of the Alps, with all its climatic hazards, as his workshop.

The World Meteorological Organization (WMO) has launched this massive survey of Europe's biggest mountain chain in order to learn more about its weather patterns and what causes cyclones, heavy rains and snap floods in the areas dominated by the Alps.

WMO hopes thereby to improve its worldwide weather forecasts for mountainous areas. New knowledge gained in the Alps will be used for the U.S. Rockies, the Andes or the mountains of Tibet.

Ticknor, 49, a lean, rangy man whom after 31 years flying a plane is as natural as walking, is one of a team of pilots who will crisscross the Alps at different heights to get the data.

Weather research flying is no sinecure, years of probing thunderstorms for the U.S. National Oceanic and Atmospheric Administration have shown him.

"We fly straight into lightning. The idea is to seek out the worst weather possible, if that's what the scientist stings in the back wants. He decides the nature of the mission.

"I was flying once in Norway when I was caught in the middle of a snowstorm. The rear of the plane was hit by lightning and when I got down I found the tailplane hinge bolts had melted away."

"Lightning can look pretty spectacular from the cockpit. Sometimes you see a bolt coming straight at you and you grip your seat-belt. Boy, it really hits. Without your belt you would jump straight out of your seat."

Nineteen countries, including Russia, are taking part in "Alpex" (Alpine Experiment), which will utilize 17 planes, 11 ships in the Mediterranean and Adriatic seas, an earth satellite and a host of ground stations and buoys.

An official told reporters: "We

chose the Alps, in spite of the modest size compared with the Andes, Rockies and the Tibetan range, because they produce most of the severe weather phenomena encountered in other mountain areas of the world."

Mountain conditions influence the climate on several scales, he said. On the planetary scale, they can change the airflow over a whole hemisphere, affecting weather worldwide.

On the next smaller scale — the cyclonic — winds pushed up over mountains in their path cause powerful disturbances on the downstream side. This is particularly true in the Alps, resulting in the "Grazia cyclone" which have ravaged alpine valleys in Italy and produced flood tides in coastal cities like Venice.

Downdraft Winds

On the smallest scale, mountainous areas like the downslope winds known as the *mistral* in France, the *Fohn* in Austria, the *bora* in Yugoslavia and the *chinook* in the Rockies. The mechanism of these winds, reaching up to 200 kilometers (125 miles) an hour, is not yet fully understood," an Alpex spokesman said.

For this purpose, a vertical stack of aircraft will make co-ordinated traverses over the St. Gotthard and Brenner passes, directly over pressure stations. A similar exercise will be carried out over the Dalmatian coast.

Lower altitudes will be flown by the two turbo-prop Lockheed airliners flown by Ticknor and his colleague Gilbert Summers, of the U.S. atmospheric research center in Boulder, Colo.

A twin-engined executive jet provided by the West German Air and Space Research Institute near Munich, will fly upper levels up to 41,000 feet (12,500 meters).

Passenger compartments have been converted into computer rooms with a bewildering array of cables, television screens, oscillating dials and teleprinters. Here, scientists will do the preliminary gathering of flights of up to six hours, before further processing, at operation headquarters in Geneva.

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